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# PUBLIC ADMINISTRATION IN INDIA REPORT OF A SURVEY

by

Paul H. Appleby

CONSULTANT IN PUBLIC ADMINISTRATION  
THE FORD FOUNDATION

GOVERNMENT OF INDIA  
CABINET SECRETARIAT  
ORGANISATION & METHODS DIVISION

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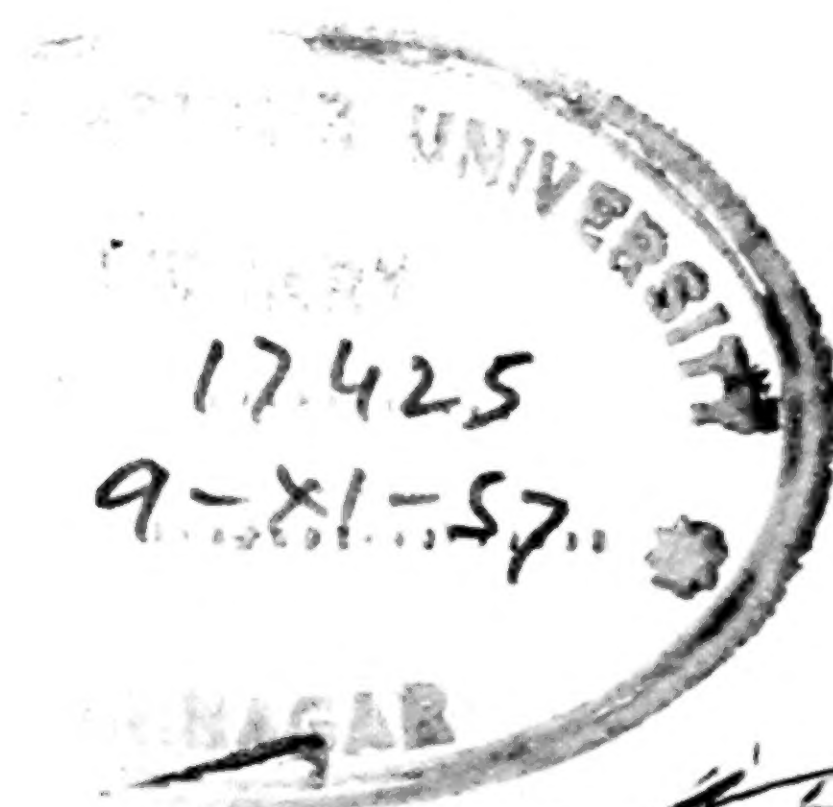
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## INTRODUCTION

Problems of public administration have greatly altered during the last few years. During the first phase, the consolidation of freedom, the political and financial integration of the territories of the former Indian States, the drawing up of a new Constitution, the rehabilitation of displaced persons and the establishment of new and common administrative services for the Centre and the States, were among the urgent pre-occupations of the Government. The inauguration of the Constitution early in 1950 and the decision to undertake planned development on a national scale to fulfil the Directives of State Policy embodied in the Constitution marked the second and the longer phase, the building up of a Welfare State.

When it becomes the central purpose and justification of government, while adhering to democratic values and methods, to find a rich social and economic content for freedom, to bring about equality of opportunity for all and to secure the maximum development of the human and material resources of a vast country, the administration faces new and immensely vital tasks. How to reorganise the administrative structure and machinery and refashion its methods and procedures, therefore, necessarily becomes a subject of considerable concern and study. Several important experiments have been under way in the States, notably in the field of village self-government and rural development. At the Centre, the re-organisation of Secretariat cadres has been carried out. At the request of the Planning Commission, Mr. A. D. Gorwala examined nearly two years ago the state of public administration and also made recommendations concerning the administration of public enterprises. These and other studies were of great assistance to the Planning Commission which considered at length the problem of reform and re-organisation of the administration in relation, specifically, to the implementation of the Five-Year Plan, both at the Centre and in the States.

This survey of Public Administration which Dean Paul H. Appleby has prepared is complementary to the studies already undertaken. Dean Appleby brought to his inquiry a freshness of outlook and experience and insight into social and governmental problems which lend special weight to his observations and suggestions. He is concerned less with the details of administrative machinery and method, and far more with the basic principles and concepts which lie behind the institutions and the practices which have grown up over many years. In drawing attention frankly to elements of weakness and strength in the present situation, Dean Appleby has set several important problems in a new perspective and made a contribution of great value to the current thought on the subject.

The Government of India wish to express their gratitude to Dean Appleby for the service he has rendered and to the Ford Foundation for making the Survey possible.

Y. N. SUKTHANKAR,  
Cabinet Secretary.

New Delhi,  
May 23, 1953.



## FOREWORD

### To Non-Experts and Non-Indians


This Report has been written for Indian ministers and Indian administrative officials. For them, it has not been felt necessary to present much descriptive material or to set forth fully the method of analysis. Non-expert and non-Indian readers should be strongly on guard lest they misunderstand, exaggerate and unwarrantedly generalize what has been written here.

If there is any substantial public significance in what I have found to say it is my general judgment that the Government of India is a highly advanced one, and in the revelation of the government's hospitality to criticism and its insistent search for improvement. My presence here on invitation of the government is only one of many evidences of its own concern for perfecting its processes.

Any critic as free-speaking as I have been could make analogous criticisms of any other government, or any other large organization.

Speaking particularly to my own countrymen in America, those stationed here by the American government, and other non-Indian readers. I should like emphatically to assert that their basic attitude towards the government of India should be one *assuming its general administrative competence*. Most foreigners stationed here by governments are brought here for many special abilities definitely integrated in large and complex organizations at home. Even though long employed by their own governments, their special preoccupations have not been with administration as such, and they should be slow to speak in administrative terms in the Indian context. I have gone further simply because I was invited to do so. Nevertheless, I have no exaggerated notion about the easy applicability of what I have said in response to that invitation. It has been clear, too, that those in responsible positions here would feel under no compulsion to pay any more attention to what I say than they find worth while. I represent no power-centre which might be thought to wish to dictate anything to India or Indians. Representatives of foreign governments, equally free from any desire to dictate, are inevitably associated with power-centres; for that very reason they must be more restrained.

By far the greatest need of the Indian government is for financial resources. By far the greatest need of foreigners stationed here is for full and intimate understanding that will facilitate their efforts to work with the government here. For them, a purely descriptive document would have been much more useful.

  
(PAUL H. APPLEBY),

Consultant in Public Administration,  
The Ford Foundation.



**LETTER OF TRANSMITTAL TO SHRI C. D. DESHMUKH  
MINISTER OF FINANCE**

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HONOURABLE MINISTER :

When I arrived here at your invitation at the beginning of September you were instrumental in opening wide the administrative machinery of the Government of India to my scrutiny. Your colleagues and officials have been most generous with their time and facilities, and I have had a rare and untrammelled opportunity. The limitations have all been on my side, in personal shortcomings and in the time available for a study that could well utilize several persons over a considerably longer period.

There are also, of course, the shortcomings, as well as possibly the advantages, of being strictly an observer. I learned long ago the important difference between the views of an observer and the views of those informed by their intimate and extensive involvement with the operating institution and actually vested with responsibility. In the case of a foreign visitor there are also special difficulties in the way of his understanding and in the way of his communicating his own meaning. Terminologies differ both in usage and in the meaning given them by social and cultural contexts.

While it would be rather easy, as a result of my study here, to write a book for my professional colleagues in other countries, I have been some what overwhelmed by the need to write something of tangible value for ministers and officials here. Clarity would require theoretical discussion, and detail sufficient to show that I had taken enough account of the many variables on the administrative scene here. But these considerations would lead to a document so long that it could not be read by the busy men for whom it would be written. It would be easy to write at great length, for I have collected a great deal of material. And it is hard to write briefly, knowing that so doing I shall oversimplify, invite misunderstanding and appear to see things only with a jaundiced, as well as a parochial, eye.

Yet brevity seems essential, and at the risk of appearing dogmatic, over-critical, and unclear I have chosen to write a rather sweeping, general discussion of all public administration here. Even this requires some 30,000 words.

I have read great quantities of documents and the very considerable amount of material prepared especially at my request and in response to my questionnaires. I have interviewed hundreds of ministers and officials. The study took me on tour for more than 9,000 miles in India, by automobile, train and airplane. This permitted very brief visits to ten states outside of Delhi—some of Part A, some of Part B, and some of Part C, (Punjab, Bihar, West Bengal,

Madras, Mysore, Bombay, Bhopal, Rajasthan and spots in M.P. and U.P.). It involved visiting the D.V.C. other construction jobs and field projects. There also has been opportunity to get some representative views of private citizens.

Many of my present ideas were drawn thus from your own governmental materials and personnel. However, neither you, any other minister or official, nor the Ford Foundation shares any responsibility for what I say. The misunderstandings, the errors and oversimplifications are all my own.

No matter how far astray I may have gone, this assignment has been of great value to me. It has greatly added to my own learning, and it has deepened and strengthened my admiration for India, her people and her government. What the government is trying to do here is, I think, the most important effort in the world today. I have been treated most cordially, and have been drawn in strong friendship to the goodly number of persons I have come to know. I shall be ever grateful to the Ford Foundation and to you for sponsoring my visit here. It is my hope that I have done you no disservice and that there may be some small value in what I have found to say. Perhaps later on I shall find some way of doing the matter fuller justice.

NEW DELHI;

15th January, 1958.

(PAUL H. APPLEBY),

Consultant in Public Administration,  
The Ford Foundation.

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## SECTION I

### A GENERAL APPRAISAL

If India had achieved independence in 1900 the administrative problems facing the new government would have been fewer and simpler than those that have been met in the last few years. Yet even in 1900 it would have been a task of vast difficulty to shift from the primarily negative attitude of revolution to the positive one required to build and conduct responsible operating institutions. To supply quickly the political leadership and the administrative personnel, to get a whole new orientation for government, and to make institutions of self-government work—this is a large order any time, anywhere. Here there had been insufficient opportunity to give training and experience to enough persons. Here the diversity in languages, peoples and conditions of administration; and the need to incorporate hundreds of princely states into one democratic, political organism, and here national partition posed special difficulties. In America we properly hallow the memories of the great leaders who at the time of our national beginnings coped with difficulties probably no greater than, if indeed equal to, those that would have been faced in India in 1900.

Yet these difficulties have been met here, and many more. The times now are much more complex. The advance of learning and the great developments of manifold sort in the last half-century require that very many more factors be taken into account in the handling of public business. Mass aspiration here and elsewhere in the world now gives new dimensions to the revolutionary purpose and creates an international setting of enormous stress within which the new nation must find its way. Not independence and popular self-government alone are the objectives, but such a government dedicated to achievement of mass welfare at a tempo never attained anywhere at the same stage of economic development. History provides no near precedent for what is being undertaken here.

One can approach and emerge from a study of the Indian Government, therefore, only with great admiration for what has been done and what is being attempted.

It must be emphasized also that just as all other governments and their administrative arrangements are unique, so is the government of India essentially different from all others. It is and must be an outgrowth of its own long history and its own rich culture. Probably no practice—certainly none of any importance—can ever be directly copied from one government and simply applied to another. There is value in comparisons, but the value is in stimulating some development which had nowhere before existed in precisely the same form or manner. The best administration for the United States would not be the best administration for India, and *vice versa*. But the two may well be stimulated by each other.

If we are to compare the Indian government and its administrative systems with others, we should begin with their constitutions. History of India has brought some important governmental contributions from the British government, and in some respects the government here resembles that of the United Kingdom, although it cannot be said to be really like it. The government here has a British-type parliamentary form, without the institution of the Crown. It goes further, however, having two concurrent parliamentary forms, at the Centre and in the states. In this respect it more resembles Canada and Australia than the United Kingdom. But the Canadian constitution vests in the national government all powers not specifically given to the provinces, the Australian constitution vests in the states such powers as are not definitely fixed, and the Indian constitution attempts three categories of powers—those given to the Centre, those given to the states and those designated as “concurrent”. The United States, as a non-parliamentary example, vests unspecified powers in “the people”. It also has two elective political levels of federal form, less organically and interdependently tied together along with less organic interdependence of the branches of government at each level than is provided by the parliamentary form. The Indian constitution attempts to avoid too sharp distinctions between the governmental parts by providing in considerable detail for their interaction and for flexibility and evolutionary development.

### THE ADMINISTRATIVE CONTEXT

There are, both in the Indian constitution and in present society and practice, factors making for unity and factors making for disunity. Since success of India as a nation is the prerequisite to all other kinds of success here—including particularly the success of the states—it may be useful to attempt to identify these factors and to ask whether those making for unity are sufficient. Democratic peoples are always reluctant to vest powers in government, most of all in central government, and success often hangs by a narrow margin, likely to be determined in the end more by practice and evolution than by the letter of organic documents. In attempting a list of factors on the two sides of the scale let us consider first those making for unity:—

The general character of the constitution in leaving considerable room for flexibility and evolution.

Powers lodged in central organisms for resolving many conflicts between Centre and states.

A central power to veto state legislation where it is held to conflict with national law.

Provision of an emergency power under which the Centre might take over administration in a state.

Central collection of national revenue, administration of defence and foreign affairs.

Central Capacity for influencing state policy through grants-in-aid and loans.

Central monopoly of income taxes, other than agricultural, and certain excise taxes, as well as customs.

A certain small but important civil service common to the states and the Centre.

Technological unity and consequent policy agreement among professional personnel in various programmatic fields, agriculture, health, education, etc., whether employed by the Centre or by the states.

Appointment of Governors by the Centre.

Appointment of Chief Executive Officers of Municipalities by the states (unifying municipalities and states rather than the Centre and the states).

Absence, except in the case of agriculture, of any very strong and divisive private interests potentially capable of becoming influentially hostile to governmental action.

A real and strong national aspiration spread throughout the country, although not uniformly present.

Extraordinary national leadership focussing in the Prime Minister, and, closely related to this factor:

Something now closely approximating a one-party system, although not in any sense implicit in the institutions of governance and not likely to continue indefinitely; the single party is strongly organised and cohesive, policing and enforcing policy and administrative unity--though not uniformly among the states--probably more importantly and pervasively than in any other democratic nation.

This is an impressive list, and most of the items are important factors making for unity. However, they are more or less balanced by other factors tending toward disunity:

Two parliamentary systems operating concurrently, one in the Centre and one in the states, capable of coming under the control of different parties.

A great and growing sentiment and practice favouring "autonomous states" along with—

(a) Almost complete dependence of the Centre on the states for administration of social-action programs, including almost everything in the crucial, national Welfare State dedication;

(b) A consequential allocation of revenue resources which, although regarded by the states as seriously inadequate in view of their responsibility for development, is nevertheless relatively large for the states, relatively small for the Centre (comparing with other federal governments);

(c) Considerable diversity among the states in degrees of political and administrative development, experience, maturity, structures and performances;

(d) A special separateness in sentiment continuing among some or many of the old princely states.

In spite of the emergency powers provided in the Constitution, an apparently diminishing capacity of the Centre to exercise those powers by taking over administration of government within a state, especially within a strong state; absence of any nucleus held structure of the Centre around which to establish emergency administration, and growing hostility to the idea; a lack of any evidence that interpretational and operating discretion is opening the door to a strengthening of the Centre's potentialities in administration of programs essential to social well-being.

Probable weakening of national leadership in time or at particular times, when ordinary leaders follow extraordinary leaders.

Prospective disappearance of the one-party situation.

Diminishing or disappearing influence of grants-in-aid on policy insofar as the grants become customary, continuing and not increasing steadily and largely in amount.

The great social, educational and economic gap between the mass of citizens and the elite elements of leadership; the absence of a well filled-in social hierarchy with relatively easy movement and communication between levels in such a hierarchy; some difficulties of travel which tend to confine this to ministers and top officials; difficulties in variation in language, small circulations of publications and small radio audiences.

N. J. N.  
Lack of "action-mindedness". This does not imply sloth, lack of social consciousness or irresponsibility; it refers to a way of thinking about and addressing action problems. It may be related to the obverse side of the shield which is one of India's distinct virtues—a bent toward and capacity for speculative thought. It is certainly related to a history that provided little opportunity for large-scale action responsibility. It is a lack of highly developed capacity to conduct action institutions, which is to say an administrative lack. There is here, on the other hand, a new and extraordinary determination to overcome this lack.

The natural preoccupation of most people with their personal affairs, and the related resentment of governmental taxation and "interference", and distrust of government. In India this would be a much less than normally important factor if it were not for the special difficulty of communication on complex problems here. This difficulty inheres in the present great gap between the elite and the mass without a well filled-in and graduated "social hierarchy".

An undercurrent of non-democratic ideology among a small but militant minority, capable of disproportionate influence in association with popular disappointment over the rate and tempo of reforms.

The Centre-appointed governor's positions being largely ceremonial and normally devoid of much influence—this in sharp contrast with the strength of state appointed commissioners in the large cities.

The listing just attempted serves to point to some of the areas of difficulty facing the new government in terms either administrative or conditioning administration. Some elements of distinct superiority also should be cited, pointing to a general judgment of the Government of India as rating among governments of an "advanced" sort, and not among those of "backward" nations:

Bodies of political and administrative leaders, small in numbers when compared with needs, but of outstanding quality and devotion. Their presence, and the presence more junior personnel in various functional fields and levels of responsibility provide nucleus resources of an impressive sort and reflect high potentialities in the society.

Practices appreciative of the importance of the generalist—as opposed to the merely expert—control of government in high levels, associated with a widespread capacity for thinking in the relatively abstract terms of relationships. In handling highly complex affairs, these practices and this capacity are of great importance.

A singularly unprejudiced approach to the consideration of policy and administrative method. The effort is to see how best to achieve agreed-upon values, without letting decisions turn on conventional doctrines, whether capitalist or Marxist. The result is a clear general reflection of basic popular drives.

A civil service more uniformly established than in many other governmental systems.

An understanding dedication to democracy.

#### POPULAR, CONVENTIONAL CRITICISMS

Having thus depicted something of the general governmental situation, we may turn attention to more strictly administrative matters, and assume a more searchingly critical attitude. I should like to begin, however, by discounting some of the popular criticisms of governmental administration commonly heard among citizens. The four most prevalent are that government has too many employees, that it is permeated with dishonesty, that it is inefficient and that its work is unnecessarily hampered by "red tape".

I do not believe that *anyone* really knows whether there are too many employees. Certainly, I do not. The criticism commonly heard does not particularize about the places within government where there are unneeded workers. This very fact suggests that it is an uninformed criticism. Actually to find out whether numbers as such might be reduced would require extensive and intensive studies. One can believe, out of general experience of such matters, that there are, here and there, a few more employees than are actually required or than would be required if work were simplified and rearranged. This is normally true of any large organization. It means simply that all organizations are always subject to improvement if one only

sees how and where, and that no organization is ever perfect. It seems entirely clear that there are too many "peons" and others of very low status and pay, and not enough persons at higher levels. **Just** what the net saving or cost would be through discharging and hiring can not now be estimated. I am confident that there are too few employed at the levels of Deputy Secretary, Joint Secretary and Secretary. Overloading at these levels—and consequentially at the level of Minister—is dramatic and heavily excessive, although not uniform. I suspect, also, some understaffing at levels subordinate to those named. Direct, visible and measurable costs of improved administration are likely to exceed savings, the great gains usually being subtle and diffused in non-monetary public satisfactions and governmental success.

Similarly, at the present time no one can know a great deal about the prevalence of graft and favouritism. Where most cases have been revealed—as in Bombay, by systematic and vigorous administrative action—it is likely that dishonesty now is rarest. I would venture the general opinion that more honesty and disinterested devotion are found to the administrative square inch in the government here than in any large private organization. I believe this to be true in the cases of all democratic governments, and I have discovered no reason for believing that it is not true here. Insofar as certain techniques preventive of dishonesty and favouritism have not come into use here, either in the government or in business, there are probably more cases of dishonesty than in those societies where such techniques are in use. There are a good many shortcomings of this sort, and I shall have some recommendations to make along that line. Nevertheless, I feel that the general condition with respect to honesty here is much better than the common criticism would suggest.

The third criticism, that of inefficiency, is another example of a blanket indictment, weak in not being specific and in not revealing an understanding of the terms in which relative efficiencies may be cogently considered.

In India, I have been reminded, it is true as it is true elsewhere that a farmer of proved efficiency is likely to prove inefficient when he moves to another area, with different soil and weather conditions, where he must produce a crop with which he is not familiar. In other words, efficiency depends upon what is to be produced, or what function is to be performed, and the conditions in which the product or function is to be pursued. Thinking about efficiency must take account of differences in functions and situations.

It is impossible to compare generally the printing efficiencies of two printing plants, if one is to produce a daily newspaper and the other to produce an illustrated literary journal—yet both are business establishments, and both are printing plants. Comparison would be even more absurd if one were located in India and the other in the United States.

It is absurd to try to make general comparisons between the efficiencies of government and "business". Their functions are essentially and pervasively different. Even in a construction undertaking which might appear to be a replica of a private one, governmental con-

siderations must be different. At the Nangal construction site, for example, engineers told me, not surprisingly, that relations with employees weigh much more drastically than would be the case on a private construction job. "The employees judge the whole government of India by the way we treat them," was one statement. This is a simple illustration of the way in which public character alters the criteria by which efficiency should be appraised.

Chester Barnard, long-time and eminent American business executive, in his significant book, "The Functions of the Executive" (Harvard University Press), has said that the only *objective* test of efficiency is survival. It is an important thought which should be more widely pondered. Other tests of efficiency are largely if not wholly subjective, reflecting the special values of individuals or societies. One person may regard that government as most efficient which taxes least, while another may believe that the government which is most efficient is the one that provides most social services, and still another may believe that government most efficient which establishes the highest tariffs. A charge of governmental inefficiency often means, therefore, simply that the speaker disagrees with some policy of the government. It nearly always means that efficiency is being considered in terms of some special criteria not identical with the complex of social values found in the large popular scene to which a democratic government must give response.

Insofar as the criticism of "inefficiency" is intended to imply a failure to use modern machinery, it should be pointed out that what is efficiency here is not necessarily the same as that which would be efficiency in a highly industrialized society having full employment. I found one engineer who followed American methods here, and one who used a minimum of big machines; the money costs of the two jobs seem to be about the same, dimensions and character of the two projects considered. One engineer said that beyond money costs he used labour-saving equipment when "quality of product and urgency of completion" required. This makes good sense. In somewhat the same way, my own feeling is that the quality of the governmental product and time-saving, rather than monetary economy, would justify use of more typewriting and less long-hand papers, more modern filing systems, more well-paid personnel and fewer very low-cost personnel. But it is not a simple problem.

Insofar as the criticism of "inefficiency" is meant to imply a lack of frugality, I should say, rather, that the government is somewhat unwisely frugal—spending too much energy, and money, in penny-pinching, and regarding too little the effectiveness and convenience of the conditions in which able-men work. This latter is intimately related to true efficiency in the service of the public interest. The time of key officials is the most costly of all governmental costs, for on them the effective use of thousands of other persons depends. Similarly, time-consuming and delaying procedures over small expenditures may make concealed costs and involve costly delays in the pursuit of action objectives. The heritage from simpler days points rather in these directions than toward any tendency to carelessness and profligacy.

Thus we come to the fourth of common, popular criticisms of government, "red tape". And here again I would decry the generality of the criticism, while myself offering some specific criticisms under this heading. All large organizations and all careful and responsible performances *require* red tape. A distinguished musician or scientist is one who uses and has mastered the hard and confining disciplines of music or science which the uninformed might view as red tape but which is the systematic way of arriving at achievements not possible to pursue effectively in an unsystematic way. Government more than any private organization must work in ways preventive of whimsicality and irresponsibility, in ways accountable and reviewable, and in matter larger and more complicated of content than those involved in the largest of private organisations. Red tape in government is therefore fundamentally much more a good than an evil. This does not, however, justify it in all its forms, and *particular* criticisms of particular procedures and methods, especially on the part of persons having knowledge of these things, are always in order. The most potent criticisms of this nature are highly technical.

Even the amateurish criticisms of citizens, when particularized, are of the democratic essence. *They point not so much to actual ways of making improvements as to things that need to be improved.* They thus help those responsible and skilled in the techniques of red tape to pursue the perfecting of administrative arrangements so as to maximize citizen acceptance and satisfaction. And for the technically qualified there are specific aspects of organizations that can be fruitfully, if not absolutely, compared. There are techniques in one printing plant that may have a useful bearing on techniques in another printing plant even when the second produces a different product and is in a different location with a different clientele. So it is with governmental organizations and their conduct—public administration. In detailed and technical terms it can be useful to any government to consider its structures and processes in terms illumined by acquaintance with structures and processes of other governments.

In later sections of this Report, I shall make some relatively detailed and technical analyses and shall spell-out in a way designed to be particularly meaningful to administrative technicians, some criticisms I find it possible to make in pointing toward the perfecting of arrangements and procedures. All these criticisms I intend to summarise in somewhat general terms in the remainder of this section. In its concluding pages I shall also present all of my principal and definite recommendations.

#### MATTERS OF CONCERN AND POINTS OF CRITICISM

As my acquaintance with the government of India has extended, my general judgment of it has become more and more favourable, and points of criticism more numerous. Neither of these developments was accompanied with any sense of surprise. From a distance my keen interest in and highly favourable attitude towards India had not involved any attempt to evaluate its government; I felt incapable of that. My approach here was inquiring, sympathetic and professionally critical. I have come gradually to a general judgment that now would rate the government of India **AMONG THE DOZEN OR SO MOST ADVANCED GOVERNMENTS OF THE WORLD.**

I would stress use of the word "now" for obvious reasons of concern for a future still unfolding and even more dependent on political leadership than on administration. For a different reason I stress use of the word "advanced" in the declaration of judgment just set forth. It implies the use of criteria which might not be accepted as bearing on "efficiency" or "effectiveness". All of these words should be used with regard for multiple and subtle values, but perhaps "advanced" most clearly has these connotations. I do not believe it is possible to compare usefully and objectively the general efficiency or effectiveness of democratic and non-democratic nations. Persons who do that must do it according to some preference between the two kinds of social order. The same is true with comparisons of relative "advancement", but more frankly true. And of course many Communists or Communist sympathizers espouse some kind of ultimately democratic goal, and some of them would not claim to much "advancement" toward it. In any event, I can speak in no other terms than those regarding democracy as a prime value, and I frankly ignore the Communist and other authoritarian states. For those who quarrel with this, let my judgment read as rating the government of India now among the dozen or so most advanced democracies. This is, of course, only an individual judgment, must be less than "authoritative". It is, perhaps, a reasonably well-informed judgment, based on a still rather uncommonly wide experience and access to information. It will at least qualify the impact and meaning of my criticisms when they seem harsh.

My major over-all concerns may be identified as three:

(1) *Constitutional structure.*—The nation is crucially dependent on the states for actual achievement of the chief programmatic objectives of the nation. The arrangement works now because operating through a historically-derived administrative system of real competence in earlier terms, extraordinary leadership and an extraordinary dominance of an effectively one-party system, that one party notably disciplined and led, it is possible to secure considerable consistency and cohesion. What of the future under more ordinary leadership, division of the control of states among different parties, and a growing sentiment for "autonomous status"?

(2) *The related but more extended diffusion of administrative responsibility.*—The administrative system is generally characterized by requirements for interministerial clearance and an intricate sharing of responsibilities all the way down through the hierarchy. This constitutes excessive co-ordination before the fact of action, slowing and retarding action. Its complement is insufficient consolidation of action, discretion and responsibility, and insufficient, unparticularized accountability after the fact.

(3) *Flexibility and future adequacy in administrative conceptions, terminology, structures and practices.*—The very system that justifies classifying the Indian government among the few that are most advanced was conceived in pre-revolutionary terms. What has been strength will have its own peculiar weaknesses in the face of new dimensions and needs. For politicians, the shift from agitation to intricate action responsibility and leadership is a most difficult one; they are likely to be impressed more and more by impediments, less

and less by need. They are likely to find no simple way to explain the complexity of operating policy as they were able earlier to capitalize on sheer "independence". Are the political leaders as close to the villages as they used to be? Is their ardor for reform cooling? Is their understanding of administration sufficient to support effectiveness? Will the civil servants, already heavily overburdened, be able to release enough of their attention for concentration on betterment?

That these are all administration-related concerns may be made clear by compressing them into another question: Will the Plan—which is as modest as the needs permit—be reasonably realized? The Plan is accepted policy. How much of it can be fulfilled and how rapidly will turn on administration. But administration will depend alike upon the public service and the legislative willingness to equip it.

These concerns, then, can be expressed more particularly, although still broadly, as concerns about structures; personnel recruitment, development and arrangement; financial provision, fiscal policy, financial administration; and procedures, on paper and otherwise, maximizing expedition, responsibility, good judgment, effective delegation, etc. All of these concerns would be pervaded, of course, by regard for the values peculiar to democracy. In my view, democracy *within administration* is prerequisite to any valid and effective democracy in citizen-government relationships.

## STRUCTURE

Taking these matters up in order, I should emphasize the importance of structure as determining in many ways the whole nature of the administrative process, and in turn having much determining influence on general policy. Structure determines where responsibility lies, how and to what extent responsible and controllable delegation takes place, what emphasis shall be given to various objectives. It poses or conceals issues of policy. It provides or relatively fails to provide a structure of progressive responsibility for decision-making and thus at each level screens out some decisions and relieves those in higher positions so that they may give attention to decisions really important to their functions.

In both the Centre and the states, prevailing structures, except in a few fields (such as defense, revenue collection, internal order and external affairs) provide chiefly for "co-ordination" rather than for administration.

This kind of structure has its beginnings in the constitutional structure, but is carried far beyond that. Because of the constitutional arrangements, in many fields of pre-eminently national importance, the Centre's hopes for success are dependent on its capacity for influencing and co-ordinating administration actually in the states' systems, and not on directing or controlling the states or holding them strictly and specifically accountable. The Centre holds conferences, makes studies and plans, issues pronouncements, and is fundamentally lacking in administrative authority. In terminology of other systems the Centre is (apart from the areas already mentioned as exceptions) all "staff", with no administrative "line". (Railway, defence, internal)

Within the Centre and within the states there is an enormous amount of co-ordination before the fact of action, a consequent lack of discretion and specific responsibility on the part of those presumed to act, and a general inclination not to make decisions. The co-ordination is far too great an extent co-ordination between peers and between different hierarchies, not within unified hierarchies wherein many individuals at successive levels of definite responsibility can resolve indecision and make decisions.

Hierarchies are not well filled-in, generally having a very slight resemblance to the pyramidal form which is essential to good hierarchical performance. Too few people characteristically report to the next higher level.

Hierarchies are not set up with a sufficient number of levels of relatively slight differentiations in responsibility; the levels are too far apart for good communication, underpinning, effective delegation, and more constant development of personnel capacities.

The hierarchies provide too little independent checking of performance during and after the fact of action. Such checking of this sort as there is not well developed or sufficiently evaluated. The importance of auditing, which is a necessary but pedestrian function incapable of revealing many things of great importance to administration, is over-rated. Financial control is in rather too petty and specific terms, tending to undermine responsibility and its requisite discretion, and to slow-up action.

## PERSONNEL

Personnel administration here has too much feudalistic heritage, too much academic and "intellectuality" orientation, too little administrative, action and human-relations orientation, and is too defensive of the "rights" of existing personnel.

These characteristics are reflected in greater or less degree in recruitment policies and methods, in assignment methods, in the attention and lack of attention given to developing the potentialities of personnel, and in the arrangements in which personnel administration is considered and personnel themselves are "classified".

The criteria by which personnel are selected by the Public Service Commissions are not up to date, and examining and appraising techniques are far from modern. Selection tends to be by one type of person, which naturally perpetuates its own type. Selection is too much in terms of academic records and appraisals by experienced academic examiners, too little in terms of many other considerations highly important in public administration. The fixed limits on cadres predetermine too many matters of great significance, and too little attention in selection is given to any but the most subjective and incidental attention to capacity for growth. Recruitment is not imaginative or aggressive enough, is too much limited by concern for persons already employed, and governed too easily by an underestimate of personnel potentialities in the society.

Personnel so selected are arranged self-consciously in too firm "classes" and too firm and too many special "services", with barriers between classes and services too high. There is, in consequence, too little sense of one public service, and too much jealousy.

Because of these various factors, too little attention is given to the important matter of developing the potentialities of subordinate employees already in service of government. Diversification of experience, opportunities for part-time schooling, and small promotions in responsibility as frequently as growth justifies—these matters need more attention.

Assignments of personnel to particular jobs are made too impersonally, too remotely from the point of responsibility for what is done on the job, and with too little regard for the emotional pulls of individuals towards certain kinds of assignments. At almost all levels of the public service it seems to be too much assumed that one person of a certain "class" is equal to another person of that class.

On the whole, rather consequentially, there is too much and too constant consciousness of rank, class, title and service membership, too little consciousness of membership in "the" public service, and too little consciousness turning on particular job responsibilities. Rank has no proper significance except as it identifies responsibilities; here responsibility tends to become diluted and diffused, rank exaggerated.

It should be emphasized that somewhat equivalent criticisms can be brought against the personnel systems of all other governments. In this field especially, much more serious charges can be levelled against communist governments.

## FINANCE

Probably the most fundamental concern one might have about the ability of India to do sufficiently the things it has so wisely and purposefully set out to do, would be a concern based on the obvious limitations of financial resources. If it is true that India is now getting about all the tax revenue it can hope to get, the outlook would be distressing. In part this and general fiscal policy may be thought to be outside the scope of my assignment. It is my belief, however, that administrative method and ingenuity have an important bearing on them. Administration in considerable part determines what a tax law means, and all fiscal policy is enormously dependent on the views and capacities of the administrative personnel concerned with it.

In one state I visited, where the system found elsewhere in India calls for legally permissive reappraisals of land values once every thirty years (too long a period in the modern world, and particularly when a period of inflation has been passed through), no reappraisal had been made for 45 years. In another state where reappraisal is supposed to be made in 30-year periods but in a staggered schedule of about one-thirtieth a year, no district had been reappraised for eight years; this means that at least one-fourth of that state is behind the ancient schedule. One revenue commissioner told me that the land taxes for certain farms were much too low, amounting to the value of one bundle of grain-straw per acre. It appears also that taxes based

simply on area and classification of land and crop overlook the revenue possibilities involved in considerable differences in amount of land held. In the absence of an agricultural income tax—which I think is in effect in only three states—a source of revenue and an additional approach to the land tenure problem would seem to be overlooked. Again, in those areas where rents are unduly high it would appear that some of the excess rent payments could be deflected back to the farmers and made in a smaller part available for land taxation. Land speculation where large irrigation works are in prospect should be countered by a capital gains tax and other legislation making for a proper spread of benefits.

Policy and law, as well as strictly administrative factors, thus are involved in the revenue picture. At the national level, the fact that tax payments ruled as excessive in a lower court must be immediately returned means that by the time higher court has upheld the Government, the money has been put beyond the tax collectors' reach. More importantly, administrative delay in assessing income taxes consistently results in very substantial losses of revenue. It seems possible—and in this I have the support of some informed civil servants—that 15 per cent. of some important kinds of taxes that should be paid under existing law fail to reach the state and Centre treasuries. Parliamentary and legislative unwillingness to appropriate for enough personnel is one factor in this, but some of the aspects of the problem are within reach of administrators.

Budgetary practice is on the whole well developed, although staffs available for the process are inadequate. That organization of budget information which is technically known as "budgetary classification" could be improved by simultaneous uses of some additional classification schemes. A good many small techniques that have been useful elsewhere also deserve consideration. But the budgeting job as a whole is well done.

From the outside, Indian fiscal policy until now would appear to be conventionally conservative, with too much emphasis on budget-balancing—and especially a balancing in single-year terms. My discussions here lead me to believe, however, that leadership in this field is about as imaginative, modern, and competent, as anywhere in the world. The policy is unfolding, and will be flexible and progressive. From the strict standpoint of administration, the organization of fiscal information will have to get a good deal of attention to keep pace. Attention will have to be given to the fact that much of what the government "spends" is not spent in the conventional sense; in these instances the government is performing functions of credit and capital formation that in most other economies are more largely carried on privately. I should like to see the thinking behind the "Expenditures Met from Capital Disbursement of Loans and Advances" carried further and given more extensive organization. A total balance sheet of assets and liabilities for the Government, in successive years, suitably organized, would be an interesting and, I think, enlightening document. ✓

Financial control of expenditures, as I have already suggested, seems to me to be too specific and detailed and too slow. Certainly, it is not subject to any valid criticism for not providing close scrutiny

before the fact, or the limited scrutiny possible in general auditing after the fact.

## PROCEDURES

Administrative procedures are many, and all of them in any large organization merit continuing scrutiny, and sometimes vigorous overhauling. Here I should select for early attention the filing systems and the related business of work done through the hierarchal movement of paper. The time required for answering letters is much too long, and this is only one specific in a general area needing reform.

The Rules of Business, Secretariat Instructions and Office Manuals seem to me to be generally too didactic and confining, too detailed and unimaginative. They might be expected to contribute to the extreme insistence on following formal channels too literally and invariably. They seem to assume and to encourage that literal-mindedness which damps the spirit, imagination and judgment which are important to good administration. Their basic pattern undoubtedly originated in colonial administration.

Review at successively higher levels of matters originating at lower levels seems to me too often to be in the original low-level terms and not often enough or sufficiently enough in the terms appropriate and peculiar to the higher level. In this sense a very low-ranking person in the Centre Government must regard himself as operating on the high-level appropriate to the Centre, when he undertakes to review a proposal that comes from a state. Similarly, low-ranking Finance people when reviewing proposals from operating ministries should not assume the responsibilities of those ministries but should seek to review in terms of government-wide significance. Much time is lost, frustration incurred, and responsibility confused, by failure to "operate on one's proper level". This is a common failing, but here, I think, somewhat especially in need of correction. The pull of inadequacy is always downward; the capacity to operate fully up to one's responsibilities needs much support and cultivation.

These preceding pages represent all the criticisms I feel disposed to make. In subsequent sections I shall expand them by filling in detail which may explain various recommendations here summarised.

## RECOMMENDATIONS

I hope that my entire report will be suggestive in many, often indefinite and sometimes subtle, ways beyond those which I make explicit. My most particular and definite recommendations may be listed as twelve:

1. The establishment directly under an appropriate minister, with strong Government backing, of an Organization and Management or Public Administration Office. Such an office is much needed to serve as a focussing of special competence and responsibility for continuing study and proposals concerning the improvement of governmental

structures and administrative methods and manners. There is much need to provide a fuller-bodied approach to administration than is to be expected from conventional financial review or personnel controls. I should hope that this office would be given special responsibility for following-up this Report and its recommendations. Its duties should go much beyond this, however.

2. The making of further and more specialized studies by a team of outside experts as sequels to this Report and as desirable sooner than a new O. and M. office would be equipped for them.

3. Government sponsorship of the establishment of an Institute of Public Administration for India, to provide a national, informal focussing of attention on public administration as a profession of many facets and elements. The purposes would be to provide for stimulation through association, through the medium of a professional Journal, and through the making of studies and the development of a literature recording and expanding administrative learning. In association with or peripheral to this Institute—

4. Development of academic graduate programs in public administration and the establishment of special avenues for annual entry into the public service of some young persons so trained. This should entail a new and close interchange and working relationship between selected universities and the governments.

5. Consolidating administrative responsibility for the carrying on of the Community Projects, elevating it in status, and providing for more flexibility and discretion in its management.

6. In general in all developmental and social-action fields, consolidating responsibility by simplifying and reducing interministerial involvements and reviews, improving the method of reviewing at different levels of government, and improving the form and movement of paper involved in administrative work.

7. Filling in the administrative hierarchy by making hierarchies have a more truly pyramidal form with more executives at most levels, and by increasing the number of levels and narrowing the present excessively wide gaps between all but the low levels. This will mean more middle grade personnel and a wholly new set of titles.

8. Eliminating fixed "cadre" limitations and making recruitment depend wholly upon frequent and flexible determinations of needs. Diversifying criteria for selection, especially emphasizing the bent for action, making recruitment more imaginative and aggressive; and, when the number of qualified persons at all permits, allowing the hiring agency to have discretion in selecting from those found by the Public Service Commission to be qualified; similarly giving the administrative agency more authority with respect to employee discipline.

9. The establishment of extensive and sustained Personnel Development Programs designed to maximize the potentialities of all persons working for the government.

10. Authorization for revenue staff recruitments as rapidly as suitable persons can be secured and trained without numerical limitation until tax collection is wholly current and the gap between assessments and collections is nominal.

11. Concerted activity with the states to bring land assessment and tax rates up to a sound current standard, to impose an agricultural income tax and limitations on land rents and to improve administration of tax collection in the states so as to bring the gap between tax intentions and tax actualities to nominal proportions.

12. The establishment, as a sequel to heightened responsibility of agencies charged with action, of adequate methods of checking on action during and after the fact.

## SECTION II

### STRUCTURE AND ADMINISTRATION

The general structure and the substructures of organisms are important determinants of the functions and capacities of those organisms. While structures of social organisms began with families, clans and tribes in remote and unrecorded history, they have nowhere been enough penetrated intellectually, enough understood. Large and complex organizations had been developed thousands of years ago, yet for the most part they have been utilized and endured rather than thoroughly studied, evaluated and made the basis for full-bodied theoretical learning. Even in the last generation or two most of the systematic study in this field has been of inter-personal and small group dimensions, and with nostalgic leaning toward the crude and the simple. Large and complex organizations are not the sum of small group parts.

For the most part, learning about social organizations has been experiential rather than intellectual; the organizations that have survived have done so by adapting their workways and developing structures under the stresses of the reactions of their members and the changing totality of the societal contexts. This is very real, if less than systematic and consciously or largely intellectual, learning.

The British did not need to adjust so much to popular sentiments and needs here as they did at home; her own concerns here were few and simple, and India, of course, has had little opportunity to get much of this experiential learning in respect of democratic self-government. In lieu of it, to an extent and for the present, this puts some special premium on an examination of this particular kind of learning in other societies, particularly those where the experiential has been lately associated with beginning efforts at systematic evaluation and theoretical formulations.

It may not be too unfair to say that the organizational and structural thinking I have encountered has been chiefly in broad and sweeping terms, characteristically in terms of certain shibboleths that do not appear to have had much critical examination, and quite often in terms of sentiments rather than hard administrative content. It seems to be rather assumed that one mature civil servant is

about as knowledgeable about structure as another; at all events, there is no administrative citadel charged with developing special understanding of structure and management and with making proposals affecting them. Structure has too often been casually determined.

The most fundamental and binding structural determinations are made, of course, in the Constitution. It is a brilliant and statesman-like document of great significance and quality, and even much of its length—which we with experience of written constitutions have come greatly to fear—was conceived as an effort to provide flexibility. Yet any constitution is a binding and relatively immutable structure, and the length of the Indian document has resulted in some extraordinarily restrictive features. One wonders whether some of these provisions were a necessary consequence of history, and whether they may not simply have reflected some sentiments of the framers which were not given as much critical examination as was given to some other sentiments.

There would appear to be no consistent theoretical reason, for example, for putting the regulation of mines and mineral resources and the regulation and development of oilfields and mineral resources in the national jurisdiction, and putting public health, agriculture and fisheries *exclusively* in the jurisdiction of the states. Epidemics respect no state boundaries, and for other reasons national health is increasingly a national problem. Neither agriculture nor fisheries has greater local significance than national, if as much. In a nation dedicated to the Welfare State ideal, the food supply and the welfare of farm families are inescapably national responsibilities. Almost all economic activities are carried on in localities, but this fact does not make their significance local. The constitutional effort to specify scopes of national and state powers so precisely would appear to raise the most serious barriers before national needs to develop and execute national programs in the interest of the national economy and the national public. ✓

It is not too unfair, I think, to say that except for the character of its leadership, the new national government of India is given less basic resource in power than any other large and important nation, while at the same time having rather more sense of need and determination to establish programs dealing with matters important to the national interest. The administrative trend is evidently to go still further, to give over to the states some financial resource now in the province of the Centre, to minimize in practice some of the marginal or interpretative zones of power, and to retreat before an opposition state minister's charges of "interference" with the states.

Language usage and sentiment seem to support minimizing central powers. "Autonomous states" is a phrase in wide use and as used of tremendous influence on modes of action. Yet the constitution does not provide for autonomous states, and their creation would destroy India as a nation. Phrases of such enormous implications should have no such casual usage. Similarly, "decentralization" seems to have become a holy word, predetermining important decisions. The meaning commonly attributed to the word seems to me erroneous,

appearing to connote an essentially independent relationship, not a truly *decentralized* one involving a delegated but organically associated and controllable carrying out of central determinations. One Indian official has used especially potent language in shattering the usual notion that "centralization" and "decentralization" pose a true dichotomy. "Complete decentralization could be achieved", he said, "only in association with complete centralization". This kind of thinking should be more widely spread. In its stead, "decentralization" and "autonomy of states" seem to be used in one breath as having identical connotations.

To describe in these highly critical and provocative terms the national government's administrative situation requires a terminology not found here. The word "administration" itself is often very narrowly conceived. "If anything arises in respect of administration" usually means anything involving money or personnel matters. There is no accepted terminology to cover the administration of programs which are the important end-product of all public administration, no concentration of attention or structure on "action administration" or "program administration", and the civil servants of highest rank are more concerned with "co-ordination" than with "administration" in action terms. At the level of administrative officials co-ordination should mean the *managerial* relating of the parts of an administrative whole, pointed emphatically toward action decision-making. Here it is a watered-down terms connoting a diffusion of responsibility in an extremely cumbersome process of cross-reference and consultation, and, at the Centre, without real powers of enforcing on the states the co-ordinative decision, if there is one.

There is no terminology—and no structure—here distinguishing between "line" and "staff" functions. This is a terminology originating a century or more ago in Germany and since spread and modified in application elsewhere in established democracies. Under this terminology staff offices are those that engage in planning, in logistics, in financial and personnel controls, in legal review of administrative proposals, and in public reporting in substantive—as distinguished from political—terms. Line organizations, in contrast, are those that carry out programmatic functions, that actually administer operations, enforce laws and attain program objectives. The terms can not be applied here to a structure in which they would have no meaning. They may be used to describe what is not present here. Almost the whole Centre, except for defense, external affairs and the collection of Centre taxes, is one large "staff" organization. Apart from these exceptions and a few others, there is no line function in New Delhi. Apart from these exceptions, in other words, there is no true and complete administration in the central government. There is, instead, the diluted and incomplete co-ordination not involving exercise of a real, formal and continuing power of control, an excess of cross-reference and conference antecedent to action, and a delaying of action responsibilities nominally lodged elsewhere.

The power that is exercised organically in New Delhi is the uncertain and discontinuous power of prestige. It is influence rather than power. Its method is making plans, issuing pronouncements, holding conferences. In reference to two different program fields I

have been authoritatively informed at both the Centre and in the states that the Centre's administrative function is performed by annual or semi-annual conferences. Any real power in most of the development field is the personal power of particular leaders and the informal, extra-constitutional, extra-administrative power of a dominant party coherent and strongly led by the same leaders. Dependence for achievement, therefore, is in some crucial ways apart from the formal organs of governance, in forces which in the future may take quite different forms.

Within the restricted administrative field remaining, controls in the provision, assignment and promotion of personnel and in a constant external reviewing of expenditures in rather petty terms are such that no ministry may be said to have much discretion or much real power within its own small house. The existence of numerous special services and the absence of a unified and comprehensive public service exaggerates jealousies, rank consciousness and delay in cross-reference and other communication. ✓

The sequel to a structure not built with an eye to large and diverse action is a structure in which the diffusion of responsibility through a Cabinet at the top level of executive government is extended by a vast lateral diffusion of administrative responsibility at subordinate levels. The ministry for whom a new employee is to work often has little more voice in his selection than several other ministries, sometimes no real voice at all. In the name of impartiality, objectivity and political neutrality, the subjective judgments of persons who will have no responsibility for what happens on the job are preferred. The procedure largely ignores the important factors of special zeal for certain assignments and special congeniality between members of a working group. The latter facilitates communication and effectiveness. The avoidance of political patronage and selection of the unqualified is not incompatible with a somewhat franker emphasis on the peculiar needs and responsibilities of the working group in terms more significant than those of common type and quality of academic background. An organization not possessing a sufficient, if restricted, discretion in the selection of its own personnel and in assigning them, inevitably feels and is less fully accountable for its performance than it ought to be. Too wide sharing of all kinds of decision-making similarly diminishes responsibility and accountability. There are, on the whole, too much scrutiny and too many impediments to action before the fact, and too little systematic review and scrutiny of action after the fact. ✓

In this process of antecedent review, too, there is much too little differentiation in terms of the level at which review is taking place. Review at the Centre tends to be in the same terms as review at the state level; review at the state level tends to be too much in the same terms as at the field or project levels. The form in which papers move also appears to me cumbersome and archaic.

Within the states, the same pattern of diffused responsibility is the general rule, modified in some by the simple fact of having a smaller number of ministries. In Bhopal, for example, a relatively admirable situation exists for the handling of Community Project business, because only four ministries need to be consulted. But the

general picture as one of general interaction of unclear responsibilities is set forth in the section of this Report dealing with Development.

An important aspect of the existing structure, enhanced by personnel practices and procedure, is an astonishing lack of capacity and/or facilities for administrative delegation. This is attributable in part to the extraordinary width of the gaps in quality, prestige and pay between the higher levels, in part to a somewhat consequential lack of qualified intermediate personnel, in part to a lack of sufficient attention to the art of delegation, and in considerable part to a structure that discourages and damages delegation.

Not infrequently here one finds structures in which only one executive of a given rank reports to the executive of next higher rank, who in turn is the only executive reporting to the man next higher. In many more instances there may be only two reporting to a higher executive, while in other instances there will be three. In every case, I believe, the one-to-one ratio is without any semblance of justification, and in nearly all cases the two-to-one and three-to-one ratios are insufficient. The chief resource of the executive of higher rank is in relevant information drawn from his dealings with several equal subordinates. This information, and the information derived from his own superior who similarly draws upon his dealings with several subordinates, equips the intermediate executive with resources much greater than the sum of the informational parts possessed by his subordinates, and this is what chiefly qualifies him for advising, directing, correcting and over-ruling them. In the absence of this hierarchal resource his justification for being in his nominal status is unreal, and he is little more capable of receiving a delegation from his superior than his own subordinate is.

The phenomenon I am discussing is a hierarchal structure not filled-in, not having much pyramidal form. It leads to a high-level lateral proliferation of structure into new ministries, new departments, and "attached" organizations, making the jobs of ministers and secretaries less and less manageable. More of the lateral proliferation ought to occur at lower levels. There ought also to be a substantial increase in hierarchal depth. As governments grow in size and in complexity this increase in hierarchal depth is crucial to the manageability of responsibilities. It is prerequisite to the development of delegation in a way enabling top administrative and political personnel to turn their attentions progressively to the more complicated, more novel, more important kinds of things that will continually emerge in an advancing society.

These structural shortcomings derive in very large part, I think, from the dominance of several rather historically conventional notions which, though of petty character and of no validity whatever in my view, largely determine important features of the administrative reality. These notions include: (a) fixed, small, numerous special services, conceived apart from each other but desperately needing to be capable of the most intimate interaction; (b) arbitrary and petrified vertical separations of administrative personnel into

"classes" and into a very few grades within classes, again emphasizing rank differences in a fashion having an excessively caste character, these levels being too few, the distance between them too wide, movement and communication between them too difficult; (c) quite fixed (and very small) notions about the number of persons of each particular rank it is possible for one of the next higher rank to supervise and the total number of people he can have under his hierarchal direction; (d) firm notions about the usefulness and importance of fixed, and small, limitations on membership in "cadres".

The last of these four resembles the administratively amateurish notion sometimes enacted into law by the American Congress requiring the fixing of personnel limitations in all of the agencies of government. Professional administrators have found this both ineffective in terms of its purpose and damaging in other respects. Even so, it has never been generally imposed in America except in terms of totals of all kinds of personnel in entire organizations or in very large segments of very large organizations. Financial control is more effective and more appropriate, leaving within relatively wide limits the deployment of money available subject to the administrative discretion which is essential to responsibility.

Until the last generation, military organizations almost universally tended to have some such fixed notions about structure as are reflected in the series just set forth. These military forms derived directly from the army of Alexander the Great and by now are highly archaic. The series I have cited results from a historical heritage, but is ill adapted to the present and expanding needs of a government so large as India's with objectives so dynamic and compelling and complex as India's. Present justification for these ideas appears to take chiefly the form of a defense of the vested interests of present employees. The admitted need to provide continuity and strength for the public service does not argue for making tenure and certain promotion so exclusively and importantly determining of matters crucial to the public interest. In fact, in most respects and in most jurisdictions fear of harming present personnel by expanding recruitment is here a greatly exaggerated concern. The government's need for experience, and the certainty of a general opening up of opportunities for civil servants in a greatly expanding and successful government point surely in the other direction. At all events, governmental effectiveness needs to be considered in terms which are not pre-determined. If the self-interest of civil servants should be too influential a factor it would argue that criteria governing their original selection and subsequent promotion had been seriously at fault.

I should like here to discuss delegation at more length, but am concerned to continue my emphasis of structure by completing the criticism at the level of field administration within the states.

At the one level where it may be thought that responsibility is, or is capable of being, consolidated and clarified, it is in fact much diffused and incapable of satisfactory consolidation and clarification. This is the level of the Collector. He was in earlier days, and is now

somewhat in theory or in nostalgic yearning more or less responsible for everything done by government within his geographical area. He is impersonally assigned by "Government"—which is everybody, and more or less responsible to every ministry carrying on functions in his area. No ministry knows how much of his time it is entitled to, and none has any capacity for insuring that it receives that portion of his time and energy. The result has been a halting and rather unclear removal of certain functions and personnel from his direct jurisdiction, but this arrangement involves in its own turn an interaction of the responsibilities and personnel of the ministries of health, education and agriculture, along with the home ministry and the ministry of finance, in association with the development and/or Community Projects offices, and some lingering associations with the Collector. In a technical, administrative sense, no one is really responsible for anything of much importance, and all share in responsibility for almost everything.

As already suggested, this diffusion of responsibility concentrates on matters antecedent to real action. There are few places either at the Centre or in the states where structure provides for sufficient and systematic review and evaluation of what actually is done, apart from the reports of the operators themselves. This whole point is discussed in the section dealing with Irregularity and Corruption, and it is sufficient here to say that it involves evaluating of programmatic intrinsics, and not merely the matter of wrongdoing.

In summary:

No other large and important national government, I believe, is so dependent as India on theoretically subordinate but actually rather distinct units responsible to a different political control, for so much of the administration of what are recognized as national programs of great importance to the nation.

In considerable part consequentially although in another part because of differences in state histories—particularly those that have recently been princely states—administration affecting national policies is exceedingly uneven.

The states are not similarly structured, having much more control over the third, or municipal and local, level of government than the Centre has over the states. The states have revenue resources proportionately larger than states in other federal systems, and appear to be moving away from, rather than toward, identification with the Centre in keeping with a growing sentiment favourable to state autonomy. In all of the larger Indian states more personnel are publicly employed than are employed in the largest and wealthiest of the states in the U.S.A.

The result is an excessively and probably modernly unprecedented federal or collective kind of administrative system, cumbersome in manner, requiring too many interhierarchal conferences and utilizing paper in an unnecessarily burdensome way. Clearance is slow and labourious. Responsibility is diffused and concealed rather than concentrated and clearly identified. Action is retarded before the fact, and insufficiently evaluated in course and after the fact.

There are too many forms of class, rank and prerogative consciousness, too much insistence on too-uniform concentration of communication in formal channels, too much cross-reference including too many reviews of administrative papers by legal officers, too much control of detail, too much pre-occupation with "saving" rupees and too little with larger effectiveness. Review at higher levels is too often wastefully duplicatory and too infrequently in terms of real concern at those levels and too much in the hands of persons remote from action and programmatic realities. At the Centre most of the subordinate personnel necessarily engaged in this reviewing process have little knowledge of India-at-large and little opportunity through field inspection trips to become so acquainted. The theoretically-common civil service is becoming proportionately a smaller and smaller part of the whole personnel.

The structure within ministries is ill-designed for delegation, and there is, in fact, much more unconscious than conscious delegation. One business man whose most important market is the government told me that the view of the man at the bottom of the hierarchy who writes the first "note" on a file is all-important in most instances. Imperfect and insufficient conscious delegation is an important factor in making the heavy overload that grievously burdens ministers and secretaries. Group judgment, which is and should be an outstanding characteristic of administration, is more often inter-ministerial and dependent upon successive conferences between peers than achieved between levels of integrated hierarchies in well filled-in pyramids.

The conventions of personnel arrangements augment all of these difficulties.

The corrective tendency is usually mild and uncertain. It is reflected in a bent toward setting up new offices, ministries and departments, some desirable, some questionable. This tendency is illustrated by a special ministry of controls, as in Bombay, special anti-corruption offices, as in Bombay and Bengal, a special administration of state industries, as in Mysore, and special ministers or commissioners or directors of development and/or community projects, and in the community projects office of the Planning Commission. On the developmental side these usually merely add to the total of units and people involved in conferences, in handling paper and reviewing project proposals; there is little provision of actual administrative resource, and usually no concentration of operating responsibility. ✓

These, then, are the expanded, principal theme-lines of criticism I would offer. They are expressed intentionally in a highly provocative tone, to clarify meaning of more detailed discussions to follow. No single criticism stated is absolutely true or completely warranted; I have myself observed exceptions here. I mean simply to insist that these criticisms are valid *relative to what I should regard as more ideal*. I point in directions toward which I believe needed improvements lie. There are, for example, some promotions from a lower class to a higher, some transfers from one service to another, some units engaged in evaluating performance after the fact, a few units at least with moderately well filled-in, pyramidal hierarchies.

The only significance of the sweeping language in foregoing pages is to assert my view that the development of public administration in India requires *more* of all of these things.

It remains to be said that I am quite well aware of the fact that the Government of India works much better in its own terms than these compressed criticisms would seem to imply. When one loses eyesight, ears, become more than normally acute and useful. In some organic maladjustment, glands are likely to make compensatory changes. Social organisms also find ways of functioning better than an analytical diagnosis might suggest as possible. And what appears to a technician to be a maladjustment may be an effective enough structure for an organism he knows insufficiently. Then, too, it is always true that administrative personnel will do better in an imperfect structure with which they are familiar than in one changed too rapidly and radically. All social institutions make a good deal of sense that critics might not recognize, reflecting much profound indigenous wisdom that is the peculiar product of a culture and a history. I believe my criticisms are worth thoughtful consideration, or I would not offer them. At the same time, I have been wholly honest in saying that the Government of India is an advanced one. Perfecting it is hard, never-ending business. Its great purposes, the new dimensions of its burdens, and the great urgency of large achievement argue just now especially for a most insistent pursuit of betterment.

### SECTION III

#### PERSONNEL ADMINISTRATION

No student of government could fail to be impressed by similarities between the British and the Indian civil service systems. This of itself neither justifies nor condemns Indian practice. In some ways Indian administration was always an especially advanced aspect of the British system, in some ways not, and in other ways quite uniquely related to Indian conditions. It is to be appraised currently not in terms of the origin of any practice, but in terms of its effectiveness now and prospectively in strictly Indian terms. The existence here of two parliamentary levels, a population enormously larger than that of the United Kingdom, great societal and economic differences, and its own distinguished programmatic drives calls for some effort to consider it in terms free from justification in similarities to the successful British system. The very fact that India is renouncing its own type of feudal structure would raise new questions about some of the practices that reflect inheritances from an old *British* feudal history.

The mere establishment of formal civil services, their members chosen according to criteria of competence, has been a major reform associated with the advancement of government during the last century or so. This reform was essentially negative, an effort to eliminate the evils of favouritism and practices under which government position were allotted to persons privileged by birth or acquaintance. In societies where much education was itself a very

special privilege, government personnel continued to be in a very great degree part of a small elite element, and the civil services had some consequent faults associated with an imperfect representativeness. The reform was designed particularly to eliminate "political patronage", because of the frequent tendency of political leaders to confer office for reasons inadequately reflective of administrative competence. This reform also posed something of a delimma. It tended to cast discredit not merely on patronage but on politics and politicians and to create something at least mildly resembling hostility among civil servants bent upon defending the integrity of the reform. This tendency is related to a perennial inclination of men to find some wholly intellectual, wholly objective, wholly "scientific" or technical and wholly "right" decision-maker. This inclination is often especially strong among the intellectually gifted. It can verge quickly toward authoritarianism. At all events, since civil servants are usually somewhat more strictly "intellectual" than politicians are, and since the exposures and responsibilities of the two groups are somewhat different, the reform posed the problem of fully maintaining the political controls essential to democracy. This was a problem of communication and of bridging the relationship, and actually strengthening both.

It is fair to say, I think, that in all governments having systematic civil services the great emphasis is still on keeping politics out of the civil service and out of "administration", without much conscious or extended attention to the bridging problem. It similarly may be said that the invocation of "political neutrality" on the part of civil servants—central to the original reform insofar as the *partisan* political is concerned—tended to be made to appear to extend to "program neutrality". The inference sometimes is that an administrator will do as well in carrying on a program he is not much interested in as he will in handling one about which he is especially enthusiastic. The inclination was to a belief that "administration" is mechanical, merely technical, unvarying. Politics is essentially the reconciliation of different forces, functions, facts, ideas and interests. All government is political in carrying on this reconciliation. All of it that is not specifically handled by ministers, cabinet or party is handled by administrators. Theirs is what I have called the "pre-partisan or sub-partisan political" field. If it be said that administration is only a "means", let it also be said, as Gandhi here and Emerson in America among others have pointed out, that "the end pre-exist in the means". Administration is one of the political means. Until recognition of this is behind the selection and direction of public personnel, public personnel administration cannot be regarded as really mature.

Social wisdom is not the possession of any single person or the product of any single function. It emerges only in the interaction of persons having different functions. Arrangements to secure the most desirable interactions are important to governmental administration.

In order to have this desirable interaction between the political heads of government and the civil service, the service needs sub-

stantial strength and must be given strong support. Here even less than in the United Kingdom, the civil service has little of that strength derived from large private clienteles which is a significant feature of the American scene. Something can be said for some of that kind of public strength, but its central logic is to tend toward bloc government and away from majority government. Here other elements of strength for the civil service should be sought and developed.

The general, important ends in view are that civil servants should be in no danger of reprisals for opinions freely and vigorously expressed to ministers, and that they shall have firm support in the exercise of discretion ministers delegate and should delegate to them. Great attention to the adequate structuring of the administrative organization to make delegation responsible and accountable, and militant defense of secretariat advisory functions are called for. Here the primary citadels of defense for the civil service are the Public Service Commissions and the Home Affairs ministries.

In practice, defense naturally takes principally the form of custom, tradition, rule and procedure. In any government these all tend to proliferate in specialized detail which are the product of specialist attention, and so proliferated they often tend to stray rather far from the service of the basic objectives. These customs, rules and procedures also tend to become petrified. The admitted shortage of financial resource and the amateurish notions of many members of legislative bodies often support petrification and resist reform. The tendency to put "technique over purpose" supports the same trend to obsolescence. In personnel practices more than in any other we see some of the reasons why all human organizations have tendencies to move ultimately away from their basic objectives by substituting concern for mere survival of the organization. This actually makes survival more dubious.

The special role of civil-service defenders properly assigned to Home Affairs and the Public Service Commissions subjects them in special measure to the danger of becoming too narrowly defensive, too little imaginative and dynamic. Compromising with the ideal because of financial limitations or popular attitudes, it is easy for them to arrive at a feeling that what they have achieved by compromise is itself ideal. Seeing many who inadequately appreciate the virtues of particular services, they are likely to spend more energies trying to convert the doubters, or to hold them in check, than in considering the services critically. Yet their role "is not merely a defensive one; it is also the role" of leadership in persistent improvement.

I have found a significant number of eminent civil servants here who are much less concerned about being defended than those in the "citadels" appear to be—at least, in the way they are most consistently defended. I have found a sufficient openness of mind everywhere—including the "citadels"—to believe that substantial reform is possible.

To urge on that process of reform I should like to suggest that nothing will be so really fruitful as challenging *every* long-established belief and custom, by asking frequently what these beliefs and customs are really supposed to achieve, and whether different ways might not serve the ends better. Things thought once to be important means to certain large ends may now have come to be regarded much too much as ends in themselves, and may now be hostile to the larger objectives. In similar inquiries I have pursued in the past I have found it useful to avoid conventional language, which comes to take the forms of clichés, themselves, though counterfeit, passing as the currency of thought.

I would suggest here, for example, for the purpose of a fresh look, abandoning the very idea of "cadres", "officers", "clerks", "ministry" or "secretariat" as distinct from "establishment", "Class I, II, III and IV", the word "class" altogether, "gazetted", "temporaries", each named special service, etc. I would hope similarly that there be temporarily expunged from the mind any old conceptions about numbers in any given rank, class or annual increment, about number of years prerequisite to promotion or after which promotion should be thought mandatory, about number of persons any one can hierarchally direct, about the meaning of "permanence" of employment, the significance of tenure, the levels at which recruitment can take place, the criteria of selection, the availability of suitable persons, the growing power of subordinate personnel, etc.

The basic questions are those that have to do with the needs of the government, the fixing and clarifying of responsibilities, adequate under-pinning to support heavy responsibilities, the facilitation of delegation, the maximizing of personnel capacities, flexibility and mobility of movement, the expedition of action. Most of the professional personnel administration language has more presumed than actually significant bearing on these basic concerns. Some established practices are actually hostile to these concerns.

If there were space, I should be tempted to discuss each one of the terms and conceptions listed above. I can select only a few for purposes of illustration.

One of the most difficult of the conceptions is that of "permanence" and "security" for civil servants. Anyone who knows anything about administration of difficult and complicated institutions knows that continuity of personnel is of great importance, that heavy turnover is costly in money and more costly in effectiveness. Anyone who has studied or experienced public administration knows also that civil servants must be given such security of tenure as will give them confidence in dealing forthrightly with their "masters". What such security in fact entails differs in various societies and in time in any particular society. In the United States, civil servants normally have so ready job opportunities outside of government that the problem is to some extent self-solving. There, as already suggested, leading civil servants are such heroes to large clienteles that they may be to too large a degree uncontrollable by their political chiefs. There, also, congressional and press practices so

embarrass the head of a department who disciplines or discharges a civil servant that serious incompetence is protected. Yet even in the United States there is an important residual need to uphold the civil service. In India the picture is quite different, the civil service is more vulnerable, and the maintenance of the two "citadels" earlier referred to is fully warranted. Yet here, too, I think, there is need to inquire into the real nature of the necessities for civil service protection.

One of the things that gives a civil servant confidence is financial resource. In the absence of private wealth, this is often translated rather too glibly into a need for *absolutely* assured performance of tenure. This translation would not be so glib if the job market outside of government were highly attractive. Does the state of the job market mean that there is no substitute approach to the problem? I think not. One line of inquiry might be suggested by the word "indemnification", or in the phrase, "accelerated and enhanced pension rights". A general assumption of permanence need not be challenged, but the extent to which it is carried here, in association with other factors, I think highly questionable in its effect on administrative thinking.

Individual security is also affected by competition, but here not security of a job and an income but security almost guaranteeing promotions in rank is achieved by limiting competition rather thoroughly to very small numbers in a cadre, class or service. The relatively small number who are promoted over class barriers is enough to enlarge the competition slightly, but it leaves original membership a very great special advantage and competition from outside not highly significant. Is the personal confidence of those thus protected worth the loss in governmental dynamism that comes from this minimization of competition? Can sufficient confidence be achieved along with wider competition? I think so. Actually, the forward needs of the government of India are so great that there will be responsible place for any competent man now in these highly protected services. If the hierarchies were suitably constituted and if delegation were facilitated there would be so many significant jobs that the few would not stand out as so necessary of attainment. If the men who are being protected against competition in this way merit such protection, they don't need it.

Fixed, small limitations in these special services and cadres are, in my opinion, the basic deterrent to rapid improvement of the administrative grasp of governmental responsibilities. For all the fine and able men in key places, they are not nearly numerous enough, they are individually of too crucial importance; they have much too inadequate underpinning; they are too much apart, too much a kind of special species. How it can be hoped to make much administrative advance without adding many able persons just as soon as possible, I cannot see. The personnel citadels cannot insure these additions, but they have an important part to play in making them possible.

Turning to the criteria of selection it may be said that the practice insures impartiality about as well as any civil service system does, but that the examining techniques are not up to date and conscious criteria not fully enough related to modern knowledge about administrative qualifications. The interviewing method is to be applauded, and it undoubtedly results in more weight being given to human-relations aptitude than is possible in most conventional paper examinations. Nevertheless the "expert" examining approach is the academic one, not the administrative. The general system in use here avoids some of the dangers and difficulties of bogging-down in a quantity-output operation, but it also means that a host of minor public employees is selected too casually and inexpertly.

Recruitment is not, I think, nearly aggressive enough. The advertisements seem to have been written by lawyers, not by skilled advertising or public relations men, but much more is required than good advertising or letters to standard—and exhausted—personnel sources. But of course until the government indicates willingness to hire the quantity of highgrade persons really needed, no large failure may be laid at the door of the Commissions.

The greatest source of personnel for higher posts is, of course, the great body of personnel now employed. What is needed is, I think, no more than to capitalize on the learning that experience with the Indian Civil Service and the Indian Administrative Service has provided. The absolutely first-class character of the former and the yet-to-be fully demonstrated but probable like character of the latter are attributable chiefly, I think, to the developmental experience they have been subjected to. Personal tutelage in the early stages, rapid movement from post to post, high expectations and the early and constant assignment of responsibilities taxing their capacities caused extraordinary growth in competence. The war was a crowning touch, so levying on their potentialities as to create in them a priceless asset for the new government of independent India. ^

India in these services shares with Britain the distinction of having the best body of generalist civil servants in the world. In both nations, however, their sufficiency is exaggerated. In both, what has been learned in the achievement has not been sufficiently applied to the larger problem of improving the whole personnel body. By substitute devices, by means of a supporting societal development, and more or less unconsciously, I think the United Kingdom has given rather better underpinning to its administrative class than India has yet been able to do. But there and here I do not believe that conscious integration of the public service and conscious attention to maximizing the potentialities of the whole service have been very far advanced. /

The development of lower-ranking personnel here is especially crucial if future governmental needs are to be well met. And such development requires more than in-service training; it requires a structure in which mild but frequent promotions to higher responsibilities can provide something in the small of what the war responsibilities provided in the large for senior civil servants. In

other words, apart from an adequate general policy office not yet developed here, I think that structure and personnel management are the two major elements of concern here, and that they are mutually dependent. This is not said because present performance is so clearly bad as because overloading and new demands on government are so insistent. Expansion in governmental capacity to administer probably never has but one alternative to these basic elements. That alternative is relatively unlimited money. Given enough money, a crude structure and inadequate personnel arrangements can be suffered. I do not believe that anyone would feel that this alternative is available to India.

The new government has not yet got away from an arbitrary secrecy unnecessarily depriving Indian university professors and citizens generally of desirable information. I have been privileged to see materials published "for official use only" and find often that even these are not prepared in sufficiently useful terms. I mean to say that they seem to be prepared in non-administrative terms. Personnel statistics, for example, are characteristically not in truly hierarchal terms, but in class terms. The hierarchal view can be had only in laborious study of budgets, descriptive memoirs where they exist, and in organization charts when they are available. Even organization charts are sketchy. I have seen nowhere any organizational picture of the deployment of the vast number of persons in the lowest levels in the States and in the Centre. What is available, however, shows an astonishing absence of pyramidal structure and an inadequate transmission-belt type of vertical structure in easy steps from one level to another; it appears as a disjointed picture, not well integrated. It is learned also that very great numbers of persons classified as "temporaries" have been employed for a good many years, and that the term "gazetted officer" has no very specific, uniform, or hierarchal meaning.

The sense of inattention to structure is underscored by the study of budgets and charts. If Additional Secretaries and Joint Secretaries are to be accepted as a regular and continuing part of the hierarchy—as I think they should be—any normal pyramiding would suggest (except where Secretaries have non-administrative functions) about four Joint Secretaries to each Secretary and Additional Secretary, about four Deputy Secretaries to each Joint Secretary, about four Under Secretaries to each Deputy Secretary, and from four to seven Assistant Secretaries to each Under Secretary, with about the same number of section or unit heads under each Assistant Secretary. I do not mean to suggest so uniform a system as my language would seem to imply. By "about four" I mean "normally three or more, and averaging four or more", and to allow for some cases where there would be only three. I should regard two and one in any instances as unjustifiable.

Any such arrangement would compel a rearrangement of levels, a narrowing of the gaps now existing between each adjacent pair of levels and classes. Persons not regarded as capable of the long jump upward now required could be moved up to a moderately greater level of responsibility, and often could be found later to justify still other promotions. While not applicable here in any

direct way, it may be useful to point out that the difference in pay between the very top two civil service levels in America is no greater than the annual pay of a person in the very lowest rank, and differences between pairs of intermediate levels range downward from that maximum to about one-seventh of the total annual pay of the person at the very bottom. These differences are there efficacious. Promotions of a relatively small sort in these conditions can come more frequently, especially in the low and intermediate levels. This not only provides useful incentives, but stimulates personnel development. These objectives—not the precise percentages—should get more attention here, I think.

Reforms of the sort I see as desirable obviously could not be introduced immediately and wholesale here. It may be that some units can be experimented with under permissions to redeploy existing costs according to a different hierarchal arrangement. Special consideration of modification possibilities should be given to those organizations charged with new and great action-program responsibilities.

It should be emphasized that reform should be extended just as far as funds and the popular attitude will permit. The people, rather than the government alone, are responsible for many staffing difficulties. There is a widespread failure to realize that paying what is necessary to get and to develop the kind of personnel needed for highest governmental effectiveness is the one paramount prerequisite to improvement of the lot of the masses. The wholly laudable drive toward substantial equalitarianism here can lead into the most serious, self-defeating error. The danger is similar to that I have seen produce tragedy in much smaller dimensions than those concerned here, when members of American farm co-operatives refused to pay enough for management of the co-operatives and the organizations wholly failed. Average persons, working in an average way cannot bring a wholly new day to India. Very extraordinary people, bulwarked by many other extraordinary people, must carry the hope of India into the managements of tasks enormously difficult and complicated.

- Because this is not nearly well enough or widely enough realized, the personnel "citadels" in the government are wholly warranted in being defensive. And it should be pointed out that within the Ministry of Home Affairs there is one highly admirable structural situation not yet often enough found here, through which somewhat competing responsibilities balance two different functional views. There the Intelligence Department gathers information from the whole nation, about popular order, about popular unhappiness, about administrative shortcomings. This Department consequently, takes a critical approach to the public service and has something of a policeman's viewpoint concerning it and its activities. This is most constructive.

At the same time, I wish to conclude this section by saying that I attach the greatest importance to a newly imaginative and aggressive attitude within the government itself toward recruitment

and personnel development. The personnel potentialities here now are much greater than those that are being well utilized, called upon and developed.

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## SECTION IV

### FINANCIAL ADMINISTRATION AND FISCAL POLICY

The obvious first concern of financial administration is frugality. In its larger aspect this is central to budgetary review, wherein the enthusiasms of agencies and personnel in their functional specializations are restrained in terms of general judgment, related to each other, and required to maximize the effectiveness of their expenditures. In its smallest aspect, this concern for frugality has to do with detailed application of the same kind of review.

What is truly frugal is by no means always clear. Many problems of judgment arise, and it is easily possible to be penny-wise and pound foolish. The enthusiasms of those charged with special functions have a high value; to damp them unduly is wasteful; not to discipline them is to open wide the door to extravagance and imbalance. True economy, consequently, results from the interaction of the drives of enthusiasm with the restraining disciplines of financial review.

Here the necessities of frugality press hard. Here some of the standards and methods of seeking frugality have not been much changed to fit new money-values and new programmatic dimensions. Here also are a few old practices of no large importance that savor of extravagance under present conditions. There probably are more guards at some public establishments than are needed, excess peons unnecessarily accompanying drivers of cars and otherwise not sufficiently employed to justify their numbers, and some rather large budgets for old "residencies".

On the whole, however, one is struck most by the extensiveness of efforts to guard and control in terms of very small amounts. The time spent in correspondence and conference over a single peon's pay in many cases costs very many times the amount being haggled over. The procedure under which purchases are controlled extends to such laborious lengths in terms of such small amounts as to involve many times the real cost of any possible saving in the particular purchase. It is my judgment in general that some of the effort now being expended in such ways would be more fruitful if it were pointed toward securing operating structures that can be delegated more discretion, with review occurring in broader terms. I have said a number of times that there is an excess of consideration before the fact, and too little checking on action after the fact. Management improvement can save more than this detailed review really saves.

Beyond simple frugality, basic concerns in financial management are directly related to success of governmental programs. These concerns point toward:—

- (1) Collecting as nearly all as possible of revenues contemplated as due government under existing law.
- (2) Securing changes in law desirable for increasing revenues due and increasing their collectibility.
- (3) Managing these funds and monetary functions so that revenues will be fully available for conversion into program values—that is, for planned expenditure.
- (4) Organizing information so as to maximize capacities for planning and managing programs.
- (5) Relating receipts and expenditures to rises and declines in the economy and its parts, but, over-all, causing governmental fiscal policy to be an important dynamic factor in the whole economy.
- (6) Development of monetary, credit and capital formation systems that will be effective under Indian conditions.

I shall attempt to discuss each one of these items briefly. Concerning Item 1 it may be observed that under present conditions both the Centre and the States are failing to collect much too large a proportion of taxes that under existing laws should be collected. Several eminent civil servants have declined to deny that this failure to collect some of the important taxes may amount to even 15% of what is collected. This is a guess, of course, and probably too high. But none can doubt that the governmental loss is very significant. The reasons are many. First of all, collection is too long delayed, assessment and reassessment are too long delayed. At the Centre, under a recent authority to add 300 to staff, it is "hoped" to get collections current in 1954. This hope is valid, especially if it implies *keeping* current, only if further increases in staff are authorized in the meantime. Taxpayers are increasing substantially in numbers. Parliamentary attention has been given too exclusively to cost of collection in terms of its percentage of what is collected. This inevitably will be high in India, where the amounts collected have such small average dimensions, but the profit to the government from use of increased staff will be enormous. There is need also to perfect collecting and enforcement arrangements. Taxes should not be required to be returned to citizens on the findings of a lower court. The overburdened State collectors should not be looked to for the performance of an important national function. The collector at Calcutta has laid on him now *six thousand* certificates which the Centre could not collect. Situations of this sort are even more damaging morally than they are financially.

Overburdening, understaffing and lack of stringent administrative evaluation of performance are generally characteristic of the Collectors' situations. Long failure to reassess, slowness in collecting, and a situation at the village level hospitable to laxity and favouritism combine to make a highly unsatisfactory revenue picture. Bombay

has an outstanding structural arrangement for checking on performance in a pattern that should be universal, yet even in Bombay reassessment is overdue, and would be too long deferred even if current with the permissive provisions of present law. (It should be pointed out, however, that failure to reassess is in political and legislative, rather than an administrative, responsibility.) In another State the day I visited a Collector's office four village officers were being put in jail, but it seems clear that adequate supervision and checking on performance are generally lacking. The Collector is so broadly responsible and overburdened that one of his two primary functions has suffered seriously. One sits in his office only to hear him receive along with streams of citizen visitors telephone calls from all of the State's ministers who lay their most pressing problems at his door; he is responsible to everybody for everything, though with varying degrees of clarity. No one can hold him responsible for anything in particular, and few facilities for checking his performance exist. He struggles valiantly in an outmoded structural situation. To be told that tax leakage may be 15%, in the circumstances, is no occasion for surprise. At the Centre a paper delinquency of Rs. 150 crores can be explained and to some extent justified but by now it is almost wholly lost. How much failed to get on paper at all through delay in assessment or inadequate supervision no one can guess. It is of the highest priority that tax collection be made current, stringently enforced and carefully reviewed through a separate lateral hierarchy.

In the States, what is being done to insure that benefits accruing from large irrigation projects are not large gratuitous benefits for large land holders and that a sufficient share of the increased income is available for taxation lags behind construction.

We have already begun to touch on Item 2, by calling attention to needed changes in law to improve enforceability. But other changes are possible that will increase revenue dimensions without hardship. Land valuations arrived at from 30 to 45 years ago are not fair to the government. The variations in law and assessment practices as between the States make for inequity among Indians. The agricultural income tax, uniformly in force, is as desirable for equity and for its influence on land tenure as it is for revenue purposes. If it amounts to only  $1\frac{1}{2}$  per cent. of the present revenues of a State it still enhances by that much the governmental ability to press forward in the public interest. I hope the capital gains tax possibility also will be kept in mind.

Without exaggerating the significance of comparisons with tax structures elsewhere, such comparisons do suggest that revenue resources here are not fully utilized. While the *per capita* income situation would modify these comparisons in India's favour, consolidated public revenue figures for other countries would have a partially offsetting effect. But apart from comparison, a wholly internal examination of the present condition would suggest an early possibility of increasing governmental income by 12 per cent. and a somewhat more rapid rate of annual increase thereafter than the Rs. 5 crores generally anticipated. Indeed, the later increase will be in important part a consequence of the earlier one.

Item 3 implies in part the business of estimating revenues and expenditures. Except for mild improvements by use of some smallish modern techniques, the expenditures are now anticipated about as well as they could be. The revenue problem is, at the present stage of affairs here, more complicated. In all governments the tendency to extreme conservatism in this estimate is a familiar phenomenon, and India is no exception. The present practice is relatively good, and getting better. Earnings of governmental enterprises, recoveries on loans and uncertainties in tax assessment and collection make the task of estimating difficult, but it is important that it be kept substantially accurate in the interest of effective programming.

Item 4 points to "budgetary classification". What is done here in this respect seems to be well done, but I think more classifications highly desirable. Indeed, the view I would emphasize is that no one or two classification schemes ever reveal enough organized information. The recently introduced "performance budget" in the United States has certain special values, revealing what it is designed to reveal, but not revealing what it is not designed to show. The key question is this: What are the several important ways in which the budget, or parts of the budget, may be viewed? Expenditures by ministries must be shown, of course; so, too, expenditures by various different arrangements of subjects and functions. Consolidated arrangements of both Centre and State revenues expenditures are also highly desirable here, as well as break-downs in such consolidations. Various arrangements of all such information should be designed so as to meet strictly administrative, economist, parliamentary and public needs. Continuing comparability is essential, but with a variety of classifications comparability in any one can be sacrificed to meet a new informational need.

Item 5 is the quintessence of fiscal policy. For its consideration I should like to observe that in all but authoritarian nations some more or less constant and mild inflation has always been essential; its absence poses problems of equity and management too heavy and numerous for government of non-authoritarian character, and its moderate presence is essential to economic growth. It would be foolhardy, however, to apply this thought dogmatically to India. My impression is that the Centre's intellectual competence in the fiscal field is equal to that of any other government. The States, naturally, have no such competence, but because of the constitutional structure are likely to have a fiscal-policy influence disproportionate to their capacity for it.

Fiscal policy I have been considering as covering the taxing-spending field, foreign exchange, reserve bank policy, debt management, etc. Economic policy in more particular terms is not so far developed, and administrative arrangements for it are still inadequate. The Department of Economic Affairs of the Ministry of Finance is so overburdened with fiscal policy matters as to make few pretensions to adequacy in the field of controls, rationing, land policy, industrial nationalization, and development. The Planning Commission similarly is overburdened, and its present assignment would not appear to cover much of this operational economic field.

There is considerable need here for an adequate policy office to serve the Cabinet in the making of such policy. Control policy has been highly changeable and so tentative as to set up handicaps in the way of execution. It appears to me that controls are imperative here, for as long ahead as anyone can see, that it is important that their continuing character be made clear, and that they require support by continuing, even if not entirely constant, imports of food. The Plan is sound, but it cannot, I think, obviate these needs for many years to come, and it would be much better to recognize these facts, if they are facts. A suitable staff here should so equip the Cabinet as to enable them to clarify and stabilize policy. The Department of Economic Affairs has pointed in the right direction, so far as I have been able to learn, but it has done this rather incidentally, or at least with insufficient consequence.

Item 6 is an extremely difficult one. I should like to emphasize the view that especially in India some of the economic activities of government may usefully be considered in terms of analogy with banking. So many of the government expenditures here are recoverable loans and capital investments that the increase in assets and liabilities of government will have much the same significance as, in other countries, increases in assets and liabilities of banks, increases in volume of money, increases in capital and debt. It may be that India will find it desirable to devise some special kinds of financial institutions not yet quite approached elsewhere.

The problem of farm credit arises under this heading, and it is a rather special case. The mere substitution of systematic and responsible banking credit for the present unsystematic and costly money-lender system will be helpful, but of itself insufficient. An additional system in which provision would be made for relatively large losses, or for loans-cum-grants, appears greatly needed; perhaps one can be devised. Some Indian modification of "supervised farm credit" as now available in half a dozen countries should be explored.

Success of all these matters will hinge on administrative ingenuity in interpretation of conditions and invention of devices; thereafter it will turn on skill in actual operations.

There are almost innumerable detailed points in the financial field to which attention could be given. These would include incidence of the income tax—the level of income at which it begins, its progressive details, the incidence of the new estates tax, and many other policy questions that depend in part on administrative considerations. Comparisons with tax structures can never be made in any but over-simplified terms, and the significance of such comparisons is never clear. Usual comparisons with the United States, for example, ignore the numerous States there that impose income taxes, and three cities that also have them. Total taxes involved in a great multiplicity of taxing jurisdictions weigh especially in the United States. It is true, too, that the monetary exchange relationship between currencies has only a limited applicability in such comparisons as are made. I am inclined to think that in a carefully restricted way, the *internal* significance of the rupee here

resembles the internal significance of the dollar in the United States. In some matters, therefore, one may compare rupees and dollars without converting them, while in others—as those involving imported goods of high cost—the rupee should be considered as having a little less than its exchange value.

Following this line of thought, I am disposed to believe that the floor for the new estate tax public discussion leads one to expect is just about right, at least for a beginning, and that the present income tax exemption could not be changed greatly until assessment and collection have been perfected and adequate data developed on the basis then existing. To determine and to collect what is now due should have first priority, although changes in the detail of progressivism and in other small ways, such as protracting the depreciation allowances, may well be in order. I do believe that the income-tax rates can be enough stiffened to bring in substantially larger revenues, although my evidence is somewhat impressionistic.

Excise taxes I have not attempted to appraise, and I must confess to a conventional bias against sales taxes as regressive. In Madras, I found the sales taxes to have been designed to have a progressive effect, and perhaps this is true in other States, but it was rather novel to me. The progressive character depended upon a rate low enough so that merchants were under some compulsion to absorb the tax, and shops doing less in volume than Rs. 10,000 a year were exempted; this left the small shops as available to the very poor and as a restraint influencing tax absorption by their larger competitors. Progressive character diminished with an increase in the rate of tax.

It may be that more complete ear-marking of land taxes and agricultural income taxes for governmental activities important and vivid in the community would make such taxes more acceptable in whatever dimensions are in fact possible and equitable.

A study of expenditures by functions shows wide variations in emphasis and trends among the States. Where State activities are crucial to national policy more thorough checking of them in both policy and administration would seem much needed. I found one State where the budgets disclosed steady decrease in actual "developmental" expenditures recently, while all the while nominally qualifying for Centre grants. This is a tendency to be expected. A study recently made by the Planning Commission if made annually will at least disclose the reality.

Increasingly the Centre will wish to disburse its funds according to a pattern that will equalize the social gains as between the States, and States will need to program so as to equalize advance among areas and especially to speed the advance of the less privileged within their borders. Data are insufficient now for anything but rough equalization efforts of this kind. Grants in aid will not automatically achieve equity and will not, without strong administration at the Centre, actually and continually stimulate State

expenditures in the aided fields of activity. The stimulating effect of grants in aid tends to wear off when these grants are stable and routine; the aid then merely becomes a vested source of income for the states. Comparing what the states are doing is in fact very difficult because of differences involved in the presence of large cities in some, the presence of district boards with revenue resources in some, and in general because of a lack of data and inspection.

Using revenue data for the Part A States (1951-52) and *per capita* income data used by Dr. B. Natarajan, economic adviser to the government of Madras, in *Wealth and Welfare*, it appears that there is a very wide range of taxation significance and incidence. Orissa taxes per person amount to only 1.67% of the *per capita* income in that state. The comparable figure for the state at the other end of the scale is 4.17% for West Bengal. Ranging in between are: Bihar, 3.21%; U.P., 2.78%; Bombay, 2.72%; Punjab, 2.63%; Madras, 2.48%; Assam, 2.46%. These ranges may be warranted, but such comparisons need to be made periodically, and in functional terms as well as altogether. In somewhat the same way, comparisons among nations in as complete terms as possible need to be maintained; the data of this kind published by the Reserve Bank of India would seem to support the conclusion that on a comparative basis India has not exhausted its present revenue resources. The Bank's publication of financial data gives no further attention to taxation, however.

I have previously referred to my belief that the significance of the functions of the Comptroller and Auditor-General's office are commonly exaggerated. Auditing is necessary to administration, and it needs to be done in varying manners at several levels of administration; including the over-all level of the Comptroller and Auditor-General here. The over-all task can best be achieved by supervising and giving common terms to auditing done in connection with administration, and by sampling and special audits. The outside audit provides an impartial certification important to public confidence, but its capacity to provide information covers a very small part of the administrative whole. One danger is that the presence of the outside auditor will relieve administrators from responsibility for checking performance in ways which would reveal to them a great deal more than to outside auditors. In this administrative review, auditing by administrative personnel would be only one incidental means to a comprehensive and knowing examination. Here is a case in which private thinking has some bearing on a public operation. No important business executive would feel that an outside auditor could tell him much of what he needs to know; he normally engages the auditing firm in order to give public assurance concerning the rather elementary things to which the auditor can testify. The business man sharpens and dulls many a pencil in manipulating figures to provide illumination, but it is not auditors' figures that he uses. In any case, it is the administrative organization and reorganization of data, mathematical and otherwise, that provides the insights important to good and imaginative management. Auditing figures are made to suit the needs of auditors, not the needs of administrators.

I have referred to the confusion of responsibilities laid upon the Collector, and have asserted that he is responsible to everybody and to nobody in particular. The view may be given additional explanation here because of its bearing on state revenue collection, although it is a matter of general bearing on the pattern of administration now existing. One Collector estimated for me the distribution of his time as spent 25% on revenue collection and village problems, 15 to 20% on police administration, and the remainder on the highly diverse activities that can only be described as "government in general". His workday is long, and the load such as makes a somewhat arbitrary manner essential to its manageability. He is called upon by any state minister or secretary for duty with respect to any kind of governmental matter, but obviously owes no particular amount of time to any one and cannot be held accountable in terms of any particular activity by any particular superior because he is concurrently responsible to all others. No single program can be given sustained emphasis, although the matter of special emphasis is the essence of the attainment of special objectives. Such emphasis as is given is a subjective choice of activity determined by his own taste, inclination and judgment, modified by the strength and insistence of particular ministers and secretaries. To be "responsible to government" at a level of such particularity is not to be responsible to anybody. New programs that have been pushed most are in general those for which new and somewhat separate field organizations have been set up. Yet for these the degree to which the Collector is involved is not clear either to him or to the field personnel or to the various ministries. All functions suffer from this absence of specialized responsibility in definite lines of accountability, and revenue collection does not suffer insignificantly.

In the overloaded situation at the Centre which is a part of this whole situation, a long questionnaire I submitted in September could not be given the comprehensive and written reply I had hoped for. I hereafter indicate some of the lines of inquiry which may or may not be worth further attention.

1. Is there any central point of direction and scrutiny for the many small miscellaneous receipts apart from taxes? In most governments these are given no attention comparable to that given to expenditures.

2. The same question applies to the management of loans, notably those made to states or other subordinate jurisdictions. The apparent surprise attending payments on loans this year would indicate not only some lack of provision for loan accounting but also a lack of administrative attention to this important feature.

3. Under parliamentary systems legislative attitudes are less directly compelling in many instances than in such a system as we have in the United States. Here, consequently, some theory of the professional and near-professional economists may be more readily and completely followed. In the United States the Congressional insistence on doing what is necessary, restrained and modified by the economist thinking that is more dominant within the executive

branch, often results in an economic wisdom neither would have alone in equal amount. Is fiscal policy here much influenced by sheer insistence on need for expenditure?

4. In financial management do you have distinctions similar to those used in the United States between "authorizations", "appropriations", "obligations", and "expenditures"? Something of this sort would probably help in the refinement of estimating now covered more loosely in the items designed "probable savings".

5. In more specialized and detailed terms similar refinement in estimating and some relief in expenditure control might result in the use of the "personnel lapse" and "man-year" techniques, and in the flexible utilization of certain basic formulae for relationships between number of personnel and cost of office and other supplies, between number of personnel of certain types and travel costs, between the state of contractual obligations—whether at the blueprint stage, the stage of calling for bids, etc.—and the amount of expenditures in a particular fiscal year. Or do you have comparable techniques?

6. Is a consolidated forward-account kept of these activities which involve definite commitments to treasury disbursements in future years?

7. Do you use the device of actuarially calculated sinking-funds for pensions schemes and the like, or handle such matters by necessary annual appropriations? (My preference on the whole is for the latter method.)

8. Similarly, are properties of the national and state governments insured in private insurance companies, or by governmental self-insurance? Since insurance can not be carried beyond the resource of a whole people, governmental self-insurance is preferable, but to include state properties would probably require a special fiscal arrangement.

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## SECTION V.

### THE DEVELOPMENT PROGRAM

The fundamental difficulty in the way of the Development Program is the dire need for it. Political necessity to meet the increasing sense of need among masses contends with shortage in resources for making the improvements. If the national income were twice what it is, it would be much easier to increase it by 5,000 crores annually than it is to push it up from the present level by 1,000 crores.

The whole situation is generally illustrated by the case of education. Emphasis on compulsory education for four years at the primary level must precede any large expansion of secondary education, but let the primary training be enforced for only four years and soon the spontaneous demand for admittance to the high school is enormous. It is the universality of four years of schooling that is hardest to achieve.

The difficulties of lack of resource take many forms. Primarily there is the matter of money. But the absence of much needed statistical data is an acute handicap to planning. The inability of those engaged in developmental work to move easily into the innumerable villages, because of lack of roads and lack of transport, is a tremendous handicap. Looking at the administrative picture and observing the unclear definitions of responsibilities—the lumping of many aspects of all responsibilities on the Collectors' organizations, one might feel that the solution would be a simple redeployment of personnel resources.

The reasoning might go like this: "Five per cent. of the time of 1,500 persons employed by the Collector is spent on agricultural matters, four per cent. on health, and two per cent. on education. Let us transfer five per cent. of the money he spends for these people to the Ministry of Agriculture, four per cent. on the Ministry of Health, and two per cent. to the Ministry of Education. Let these ministries hire the same number of personnel, but with appropriate technical equipment, and we shall have clear lines of responsibility, and get everything done much better".

But the fact is that the same number of man-days as now spent, when expended by different personnel in an "improved" structure, would get very much less significant results. This is so because most of the man-days of time in the new arrangement would be spent in walking from village to village, and each village would be visited so rarely that no tangible consequences could be expected. Unless some one by waving a wand would provide concurrently the roads, the automobiles, and the cost of operating the cars, the new arrangement would serve administrative theory but would not serve the programmatic purpose.

It is nevertheless true that developmental achievement is easiest in those cases where something like straight-line administration is possible. The Ministry of Education in the state of Bombay has made enormous progress in the last two or three years in extending compulsory education through four years of primary schooling. It has had a relatively clear assignment, a relatively self-contained capacity to do with whatever resources are available. Consequently, it is about as valid as such a statement ever is valid to say that, given enough money, the Ministry of Education can make seven years of grammar-school education universal among children of school age in the state of Bombay in the next dozen years. It is possible to provide minimum teacher training, minimum physical facilities, and a minimum quality of instruction in that time—given the money. Improvement in quality of education would follow, but would require more time to become reasonably satisfactory, of course. Similarly, enough has been done with malaria control to justify the statement that only lack of funds prevents malaria eradication. In this, the health ministry has a relatively clear field. With reference to the great irrigation schemes, too, it may be said that with adequate funds a tremendous lot can be certainly achieved within a decade.

Aside from the problem of money, the difficulties in the way of development are greatest in the programmatic fields where several different ministries are concerned, where multiple and diverse technical factors come into common focus, and where government must deal directly with many millions of citizens.

A good many of these difficulties arise in the field of industrial development. A rather fundamental choice must be faced between welfare objectives and doctrinaire nationalization. The latter will deflect energies from welfare, will vastly overburden the government's administrative capacity, and will concentrate the problem of capital needs and lay those needs exclusively in the lap of government. A mixed economy, on the other hand, is no solution and no definite policy unless the mixture is clarified considerably—at least in terms of the next few decades. An unclarified mixed economy makes it hard for the government to plan, hard for the government to give any kind of assurances to domestic investors, and much harder to give effective assurances to foreign investors who have less understanding of the Indian scene and less necessity for expending their efforts here. For domestic investment, the capital problem arises again; it occurs in terms of rupees and in terms of foreign exchange too in connection with most industrial possibilities. There are the usual problems of relating domestic efforts to a world situation—a problem which the United States is far from solving in a much easier condition; we offer loans in one breath, and in the next prevent repayment by erecting trade barriers.

But the development difficulties are far greatest in the field of agriculture. This is partly because of the vast number of persons involved in agriculture; it is partly due to the fact that education, health and agricultural technologies are involved, and that the agricultural technologies are so many, and for the most part so far elsewhere developed in terms of economic units wholly out of reach here. In the agricultural field, water shares with money rank in first importance, but given both money and water the remaining problems would be stupendous. Provision of adequate or maximum water, even with ample funds and the best administration in the world, would require a decade, and substantial increase in water supply could not be hoped for in less than five years. In the meantime, population increase will push the need for food into constantly large dimensions.

It is in the agricultural area, therefore, that the problem of administration is most difficult and most acute. To maximize food production at each stage of water availability, in the face of geographical spread of the problem, the number of persons directly concerned, the number of inter-related technologies and adaptations required—this is a task of unequaled difficulty in view of the political necessity and the intrinsic equities that give the task epochal urgency. To do a little bit of everything for everybody on all fronts everywhere would be one approach to a situation in which priorities seem almost impossible to fix. To carry on a general effort and at the same time to begin highly intensive efforts at well-distributed points, with the expectation of increasing the number

of centres rapidly and thus speeding and rounding out the effort, is another approach. To postpone the general effort and concentrate on the intensive program and its spread would be another. And to reform and improve administration in every conceivable way would be necessary, no matter which general approach is selected.

The dimensions and urgency of the development program, and to some extent its novelty, throw into high relief all of the creakiness and cumbersomeness of an administrative system designed to serve the relatively simple interests of an occupying power. What needs to be done can best be seen by looking at what is wrong.

### DEVELOPMENT IN GENERAL

The great fisheries potential remains almost untouched. While in Madras there has been a fifty-fold increase in commercial fresh-water fish consumption, the result is fifty times almost nothing, and this gain cannot be especially attributed to governmental planning and administration. In West Bengal a private business of considerable size has resulted in stocking ponds and canals with fish, and fishing is an important additional dietary resource. Yet nothing like the whole potential for all India has been realized, and deep-sea fishing—an enormously promising field—remains waiting on surveys, fishing vessels, and the organization of marketing and distribution.

The big power and irrigation schemes here and there are equal to any in the world, but are inherently slow and what is being attempted represents a small part of the potentiality. What is being done is slowed, also, by cumbersome and multiple reviews. In the case of the Damodar Valley Corporation and the Nangal and Bokhara projects, with more than one state concerned, the channels of slow and intricate review are not two—one state and the Centre—but three or more. A special law and structure mildly mitigate the problem for the D.V.C., as a partial offset to the burden of three governmental reviews. I do not believe that it should be any more “autonomous” than it is. (The T.V.A. in the United States goes too far in that direction.). But the procedures of governmental control are archaic and unduly confining. Such undertakings should be exclusively carried on by the Centre, without control being shared with states.

Iron and steel production and allocation are, of course, important to development. But the control for planning purposes is broken down into functional, area and time controls, which enormously complicate operations and discourage orders. Quotas are set both by functions and areas, and both on a quarterly basis, which tends to make both functional and areal distribution unmanageable. One or the other quota, and probably both, should be on an annual basis, to provide necessary flexibility. National users such as the railways have no area significance, of course. When controls in these terms are associated with transport or “trucking” control and exchange control, the plight of the industrialist and his customers is pathetic. A customer may get 21 tons of steel in a lot wholly unreasonable

period of time, because that many tons fill a railway truck, but the other seven tons he needs to give any meaning to the use of the first 21 tons may wait for a year or more longer until a part of a truck going to the right destination is available. A needed motor may not be ordered abroad, but an entire machine containing the motor is approved for purchase. The steel company has no direct dealings with customers, and thus has no way of securing acceptable modifications in orders so as to meet all these conditions, and everybody is at the mercy of a literal-minded inspector. No provision is made for emergency supply and shipment in case of breakages that stop industrial production in the plant of a customer. One industrialist told me that handling any kind of business with the government requires from six to eight months—and he said it in a tone of resignation that convinced the listener that he was not merely referring to one disheartening example.

In one office of one of the states I was shown a voluminous file of project proposals and correspondence involved in their review. The general program under which these projects were detailed had previously been approved at the Centre. The projects had been written up on a form originating with and prescribed by the Planning Commission, presumably covering the factors needed for consideration at the Centre. The projects were for an expansion of a tube-well program that had been carried on for some years by that State and for which it had demonstrated competence, a small electrical plant, and for a variety of other, generally related, things of a similar sort. It is true that the blank prescribed by the Commission was not a good one; it ignored, for example, the elementary item of a basic "justification" explaining why the project was especially needed, and called instead for some details the Centre cannot very usefully review. But the subsequent interchanges went far beyond the original shortcomings of the blank, asking for information readily available at the Centre, asking some quite pedestrian questions, and challenging engineering and other technical factors in terms already adequately testified to by consensus of sound technicians. The correspondence had gone on for months, and an entire year had been lost on some projects in which seasonal conditions were determining. This particular staff was ready for anything between murder and suicide, and at the same time entirely unable to express its feelings "in channels".

The states and special dam and industrial projects have utilised engineers in quality and number not often available at the Centre, and everywhere I found intense resentment over petty efforts to challenge such technical findings in letters clearly written by subordinate personnel without technical qualifications. This resentment of the layman is a common and natural phenomenon, and usually lamentably unmindful of the valid non-technical considerations that enter into public business at higher levels. But the point is that in the cases brought to my attention the review was not pitched in those valid, higher-level terms. The zeal for action was being damped down not only by an extraordinarily complex arrangement of responsibilities, but by a lack of understanding differentiating those responsibilities.

Another common complaint is that when decisions come they provide a program for only a few months, or reduce an authority for a somewhat longer period to a shorter one, in both cases upsetting planning, making for uncertainty and additional work. Even in some instances where programs have had an annual character, alterations have been made each year of such character as to require whole new communication with farmers who have been participating in the desired activity.

Extreme slowness in approval of purchases, great delay in the subsequent issuance of checks in payments, weeks or months of waiting for letters—these things have been so often reported that there can be no adequate justification of extenuating circumstances to cover them all. They are characteristic of the system, brought into relief in present action-urgency conditions. Examples to be cited in connection with Community Projects in later pages simply underscore the general indictment.

The Centre is without any real powers in almost the entire field of development; its function is the "staff" function rather than the "line" or "action" function, and its method slows greatly, and expedites hardly at all. Land policy is related to development of agriculture, but land policy is exclusively within the field of state responsibilities. Even farm credit, about which the states can never hope to do anything of consequence, is in their field. And farm credit is important to agricultural development. The influence that is associated with Central financial assistance is so cumbered by an intricate system of multiple reviews both in the states and in the Centre that the Centre often may be said to rescue the states from trouble rather than stimulating the states to bold, big, new action. And responsibility for all this is so diffused that almost no one knows who can be held accountable for what.

In terms of governmental organization, development concerns permeate or impinge upon ministries of Food and Agriculture, Health, Education, Commerce and Industry, Irrigation and Power, Natural Resources, Rehabilitation, States and Finance, the Planning Commission and the Railway Board. This is the broad picture at the Centre. I have not discovered that the Railway Board is often involved in the consideration of development outside its own operating field, but most developmental matters are likely to wend their laborious ways through many or most of these different organizations. They move in this fashion, for the most part, in three stages—first, and properly, as broad programs, second as particular projects under the programs, when review is much too detailed, and third, as particular problems arising under the projects, when such detailed and widespread review is almost inexcusable. Where foreign exchange or rationed material are involved, they will have to travel additional paths.

State structures vary considerably, and in general have somewhat fewer ministries, but the procedure within them is roughly the same and *both antecedent and subsequent to Centre review*. The fact that ministerial patterns differ as among the states and between the states and the Centre is an element of some additional difficulty, for

communication is always easiest between agencies whose functions have the same definitions.

Not ministerial structure alone varies among the states. Political and administrative maturity vary, and the sense of closeness to or remoteness from the Centre—the latter depending more on history and on current party leadership than on physical distance. Some of the differences in structure and practice are not direct reflections of difference in history and physical setting, which are the normal justifications for such variations; some are accidental, some reflect the whims of particular leaders at the times of decision-making, some derive from a parochial pride that insists upon being different for the sake of asserting a power to deviate. A generally varied picture of this sort is implicit in the basic arrangement under which the Centre may be said to have renounced administrative responsibility.

Aside from the pre-revolutionary concerns with order, revenue and defence, the development program is basic to the new government. The revolutionary program of the independent India is the Welfare State Program, and welfare is conceived soundly as possible only through development. But the principal tools of developmental administration are not national tools. In this situation, the creation of new offices—Development Minister, Development Commissioner and/or Community Projects Director—adds offices through which papers move, and increases the number of conference participants. It also provides a few persons with responsibility for pointing fingers insistently. But I have seen no case in which actual administrative responsibility has been consolidated or much facility provided for actually directing and controlling action. This is not the pattern for the historic action programs actually administered by the Centre—defence, income and excise tax collection, the postal service or census administration.

### COMMUNITY PROJECTS

The Community Projects are a highly intensive form of development applied in the agricultural field. They are designed to maximize, diversify and speed up advancement in both food production and village life. If the financial and administrative resources permitted, it would be desirable to make the program a universal one; in the absence of universality the intensification is intended to find most effective and most rapid methods, to exemplify dramatically the larger possibilities, and themselves to be multiplied and so to convert the intensive into the extensive.

The difficulties *inherent* in such an effort are tremendous. The transformation and application of technological learning developed elsewhere in very different conditions is a major problem, both in technology and in education. To carry on the program in dimensions sufficient to offer substantial and early progress requires the development of special bodies of personnel and of new administrative arrangements. The combination of ministerial, functional and expert resources is novel and difficult. The gap between the expert and the villages is very wide.

Such a program undertaking would be extremely difficult in any country, even where it was approached only in the expectation of rather slow and somewhat general benefits. Here, the inclination and the need will tend to demand especially rapid results in a situation making such results more than ordinarily difficult. Very special intensification of effort, very special imagination, very special administrative arrangements and considerable patience are required. Yet on the whole, and up to now, it seems to me that progress here in respect of these projects has been about as rapid and about as uniform as it would have been in the United States or almost anywhere else. The preliminary period was bound to be slow, with achievement ragged. The slow and ragged character was bound to be somewhat heightened where administration has the special federal character it has here and sometimes has in the United States.

Experience in the early period should be used to see where change in arrangements can be useful. The period is opening in which it will be sensible to ask whether administration *from here on* will be as effective as it might be. I shall try, by calling attention to some present difficulties and shortcomings, to point toward improved procedures and structures.

I was told this fall by one extraordinarily able director of a training centre that a syllabus sent out by the Planning Commission for such centres had reached him six weeks after it had reached his state government; during those weeks it had been slowly undergoing "review" by five or six ministries and offices. In the meantime he had completed the program of one group of trainees and had got much too far along with another to make any use of the syllabus. It was wholly an accident that I had a visit with this man, although correspondence from the Centre that long after I had gone on might have brought him in for the purpose was slowly "in process".

This situation varies from state to state, of course, but I have seen none where communication was quick and easy, or even moderately good. The pay of training project officers was from 45 days to five months behind time when I was on tour; this alone would cause an enormous and haunting damage to morale. This slowness is on the whole implicit in the system of cross-reference and diffused responsibility in a structure and process developed long ago for activities of a different sort, without social action programs of the present kind at all in mind.

One aspect of the obsolete practice relates to purchasing. Where action involving a good many people and a good many villagers is at stake, it seems almost criminal that a broken tool cannot be repaired, or mimeograph paper bought, except by a process of requisitioning and involved clearance taking weeks. The 25-rupee limitation on field expenditures is absurd in such a situation. But even with a reasonable increase in this respect, the reform would not be sufficient. Funds theoretically made available are so rigidly specified as to be more a source of irritation than a resource for effective work. Even substantially less money with much more flexibility would greatly improve morale and effectiveness. Appropriate new systems checking on propriety and effectiveness after the fact would be in order at the same time, of course.

Lack of discretion and control with respect to personnel presumably under the project directors is also a source of unhappiness and ineffectiveness. Employees of a ministry "deputed" to some one else remain employees of the ministry and not members of the project director's "organization". One director told me he felt unable to complain even to his own immediate superior about the performances of employees of participating ministries. Several have expressed the belief that there is a wasteful use of personnel and confusion among villagers because only a health ministry employee dare discuss a health question, only an agricultural ministry employee discuss an agricultural matter, only an educational ministry employee engage in or discuss education of "social" or more general sort. "We need to be a unified group of Jacks-of-all-trades", one director argued. I thought his argument persuasive.

Excessive emphasis on departmentalization of competence and activity seemed to me not unrelated to an extreme intraorganizational emphasis on rank, with considerable awe for "officials". It is likely that this in turn will encourage an excess of reserve and "dignity" on the part of the young people who will need to establish intimate and easy communication with the villagers. One project director told me that it "would not be permitted" that he correspond with project directors in other states. He had done it to some extent, and had found the process highly stimulating. When I discussed this with senior officials later I found some difference of opinion about whether the practice would in fact be frowned upon, but even this lack of certainty seemed to me significant. Somewhat similarly, there seems to be much timidity about complaining hierarchally upward about practices which appear at lower levels to be unduly hampering.

A good many of the unhappy aspects of this program seem to be both reflected and furthered by the general organizational structure designed for administration of the Community Projects. The structure is largely depicted in the "Proposed Pattern" charts worked out for the "control and direction" of the projects.

These charts assume over-all direction by the Planning Commission—a body, itself rather adequately representative of the government as a whole. Subordinate to the Commission is a Central Committee—again a governmentally representative body—as directly supervising the Administrator. The Central Committee is associated with an Advisory Board—another governmentally representative body, comprising Secretaries of the programmatic ministries presumed at interest. The Administrator in his turn is associated with an Advisory Committee—another body of representative character, comprising directors, deputy secretaries, etc., of the same ministries. Below the Administrator, after two intervening levels, are Community Projects Officers, "deputed" from or technically and intellectually representing the ministries of Agriculture, Education, Housing, Health, Industries, etc. The extent to which these persons can be regarded as actual and full members of the Community Projects "organization" and the extent to which they are members of professional, programmatic or ministerial organizations, is uncertain.

The chart for state organization duplicates and extends this same pattern of diffused responsibility. A State Development *Committee* is at the top, and again with it is associated an *Advisory Board*, the first including Ministers of all the interested ministries, the second made up of Secretaries of the same ministries. Under the State Development Committee is a Development Commissioner, with whom is associated an *Advisory Committee*, comprising directors, deputy secretaries, etc., from the self-same ministries. Again, after two intermediate levels there is a District Development *Committee*, with representatives of the same ministries and under the chairmanship of the ubiquitous Collector, who in his role of being responsible to everybody for everything in his district may prove more of a controlling factor than the District Development Officer nominally "in charge" of community development in that district. Under this District Development Officer are Project Officers, with each of whom is associated a Project *Advisory Committee* of technical, official and political character. Under the Project Officers and Assistant Project Officers are working personnel "deputed" from the various technical ministries, their membership in the Projects organization capable of being weaker than their membership in their professional ministries.

In practice, higher officials and ministers will not often sit on the various Committees and boards, and goodwill can be expected to minimize the disadvantages of such a formally structured proliferation of diffused and confused responsibility. Yet I can recall having encountered no equally self-defeating organizational lay-out. So far as the charts are concerned, they provide more for disorganization than for organization, make co-ordination an end in itself, defeat administration and conceal and destroy responsibility. Yet I say this in no criticism of those who formulated the plan. It only exaggerates a governmental pattern normally expected here when need for action responsibility has not been recognized as it has been in operating railways or post offices or conducting a census. The charts undoubtedly reflect a normal, conventional and jealous insistence of each ministry at both levels of government that no one can possibly know anything about their technical fields except themselves—or, at worst, personnel they specify and accept.

The chart, of course, tells only part of the story and covers only part of the ground of intricate involvement in review and review and review. The ministries of Finance and Home Affairs would be in the picture in many ways not suggested by the chart. No streamlining for action, this.

Many of the elements of the needed general reform are clear, but not necessarily easy of application and acceptance. Aside from a general policy advisory committee governmentally representative at the top, in the Centre and the states, there should be no other committee or boards, except possibly the project advisory committees. (And any board or committee should be strictly advisory and confined to general policy considerations.) The administration should be removed from the direction of any commission, most of all from under a commission whose function is planning, and headed by a single person of strength, stature and special zeal for this kind of

program. To him and his organization annual appropriations should be made available for expenditure without any outside concurrence or review except post-audits and annual overall appraisals. Within this organization this administration should have its own financial control and evaluation units. Personnel recruitment should be under a special board, on which a representative of the administrative head should be a voting member. No personnel should be furnished the organization by any other ministry, in the sense that such personnel would feel a continuing, special obligation to that ministry. Within the organization, delegations of funds, spending and operating decisions should be made. Administrative inspections made by the administration—and these should be many—and the sanctions involved in budgetary review, *plus* the general policy consideration given by the Advisory Committee, should secure all of the inter-ministerial, government-wide co-ordination that would be really useful or necessary. If this pattern were to be established both at the Centre and in the states and if adequate selections of Centre and state heads were confirmed or made, the program should be put in a position to begin to fulfil its possibilities.

It may be that the head of the organization, at both levels of government, should have the rank of minister. This, at least, should be considered, as contributing strength and emphasis for the initial years. Later on, when established and routinized, the organization could become a Department within a ministry. It would seem highly desirable to make the selection of state heads subject to the approval of the head at the Centre; this could be done, if it were enough insisted upon, by negotiated agreement with the states. All of the men in top positions should be actionists, and as much skilled in delegation as possible to find here where delegation is too little practiced and too poorly regarded.

Short of this kind of reform there can be, of course, changes in procedures that will ease the pain of present suffering. But if full reliance were to be placed on such measures I should remain very dubious about the high success which is the program's due. The cost of certainty would be the risk of putting a few ministerial noses out of joint. I think this much nasal disfigurement should be highly salutary, and I believe that the ministers will not in fact object.

Perhaps I should explain my advocacy of removal of the Projects from the direction of the Planning Commission. I do not mean to reflect on it, for it has done admirably the job most important to it. But arguments against giving it administrative functions are potent.

The first of these arguments is that the Planning Commission is a commission—never a good form for large-scale and rapid action administration. A second is that since almost the whole Centre is a “staff” organization rather than a “line”, administrative organization, putting administration in an agency which has the quintessence of staff functions—planning, further retreats from administrative character and needs. A third reason is that administrative responsibility reduces the objectivity and disinterest essential to broad planning, giving the planners a vested interest in one type of operations and so reducing their dynamic character. Finally;

the argument is that persons denominated as planners, recruited and associated as planners, tend in the first instance to lack, and in the second instance to lose, the special qualities essential to large and rapid action administration.

Finally, I wish to observe that some of the medicine prescribed for the Community Projects should be administered in the entire area of development administration.

I say all these things in criticism, pointing toward improvement; in the same breath I wish to affirm my view that the developmental effort in all its phases is the most exciting and promising governmental program I know anything about, anywhere in the world.

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## SECTION VI

### IRREGULARITY AND CORRUPTION

"The extent to which there is graft or corruption is wholly within the responsibility of ministers", one eminent and intelligent official said to me here. Perhaps I define graft and corruption more broadly than he used the words in that conversation, but I find it impossible to agree with him.

It is true, of course, that each minister sets a tone, good or bad, that has a penetrating effect on his subordinates. A decision by a minister, overruling subordinate recommendations and seeming simply to favour some particular citizen at the expense of the general public, does demoralize staff and invite other acts of favouritism. An exacting minister who investigates insistently anything that has the appearance of wrong-doing guides administration in ways of rectitude far beyond the scope of his particular efforts. Yet it would be a serious evasion of official responsibility and a gross understatement of the importance and scope of administration to dismiss the subject there.

A minister can determine *any* particular action, but no minister can or does come close to determining *all* actions; and what the minister does not determine, the administrative personnel do. The administrative personnel have, in addition to their personal integrity, at least two relevant technical responsibilities. One is for creating organizational structures that minimize opportunities for dishonesty and favouritism and maximize probabilities of propriety. The other is for procedures that serve the same ends. In time, if not under a particular minister or at a particular moment, such structures can be set up, such procedure installed.

The simplest kind of structural protection is a division of functions and responsibilities so that favouritism requires not merely one employee willing to do the wrong thing, but conspiracy of a number of such persons, preferably in a minimum of three different organizational units with differentiated responsibilities and lines of review. Conspiracy is more difficult to achieve and to keep secret than wrong-doing by a single individual. Where those involved are

in different hierarchal units, if one line of review does not sense that something is wrong, another is likely to do so. A very concrete example would be in the matter of disbursing public funds. No one person, and no one organizational unit, should have simultaneous responsibilities for certifying a payroll and receiving and distributing pay-checks. This should apply equally to other disbursements. Here I am told that the ministry making a purchase sometimes receives and mails out the check in payment.

A more complicated and complementary structural device is to have programmatic operating agency hierarchies paralleled by another hierarchy charged with checking that operation—thoroughly and at all levels. I found such structures on some of the big construction projects, where engineer-administrators had made the arrangements, and I found an excellent example in Bombay state, where the tax collecting organization was paralleled by an administrative investigational staff constantly scrutinizing the whole operation, going in teams of six from office to sub-office. Here I find an extraordinary degree of reliance placed on auditing and accounting, which are quite pedestrian, although necessary, functions. Auditors and accountants cannot discover much of importance about the administrative process—especially when their work is done on a government-wide basis. The same functions need to be performed by the administrators themselves for elementarily good management, and will reveal more to them than to a general auditing organization—but not nearly as much as the administrators need to know.

A petty example of fraud observed at a railway station illustrates in the very simplest terms the shortcomings of mere auditing. A purchaser of a platform ticket was given an undated ticket. He was passed through the gate without his ticket being torn in two as is required, and when he left the platform his whole ticket was taken up, ready to be returned to the ticket booth and resold. Here is a simple case of collusion between a ticket-seller and a gateman. Such things can be reduced in frequency by the systematic use of “spotters”, but perhaps the simplest and most effective prevention would be through installation of automatic coin-turnstiles. Not to use adequate preventive methods is to subject employees to unnecessary moral overstrain and to demean government and the public service.

Contrasting with the quotation with which this section was introduced is a statement from another eminent and experienced civil servant. He said:

“Leakages in the collection of taxes may occur as amount under collection due through collusion with the persons liable to tax, through under-checking or inadequate checking of the returns on which demands are built up, and through negligence in the checking of the accounts rendered by the tax collection agencies, thereby facilitating embezzlements. The evil exists on a fairly considerable scale and due to all three of these causes in varying degree. I should think on a very rough guess that the total amount of leakage in all sources may be 15 per cent. of the amount due.”

If this man's estimate were to be halved it would still represent too substantial a sum. Worse, it would reflect a squandering of the nation's "moral capital". The laying down of detailed instructions will not meet the need. To have through structural arrangements units of adequate size and quality whose only excuse for being is in systematic review of the actions of other units, and to divide operating functions in ways making collusion difficult are two basic preventives. Hospitality to reports of irregularities, real or apparent, prompt and sufficient penalties for wrong-doing, and constant attention are also essential. Measures also should be taken to protect employees who inform on associates from subsequent vindictiveness of superiors who had been embarrassed by the disclosures. Both in the provision of a strong unit to check on tax collection and in the vigorous activities of a special anti-corruption unit, the state of Bombay has given an outstanding example of good performance. There a principal source of corruption remains in prohibition enforcement. The anti-corruption activity in Mysore and Bengal also should be mentioned favourably, although the latter seems to have displayed less initiative and perhaps has followed through less vigorously.

The areas of administration most needing attention as most susceptible to perversion are those where money or documents of monetary implications are handled. The latter include requisitions for supplies, material or other purchases, payrolls, licenses, permits, contracts, and procedures with respect to violations or evasions of law, permits, contracts and the like. As a general rule, no two persons and no two units should have complete control of actions or all of the papers involved in such matters. Even ministers, with their inevitably final powers, should have the frank and critical guidance of units competitively responsible in different functional respects.

In view of structural and procedural defects and the very low rates of pay for most subordinate employees, the general situation appears to be surprisingly good. This would indicate that the shortcomings are not attributable to any low state of personal integrity. On the contrary, my impression is that the people here are rather more than ordinarily honest. The shortcomings are, of one sort, attributable to political inexperience, and, of another sort, to inadequate institutional arrangements. Too often there is little basis for evaluation of performance aside from simple level-to-level assurances that "there is little wrong-doing in my organization".

I should think that the government's widest single area of vulnerability, in both the states and the Centre, is in the imperfect and belated levying and collection of taxes. This is not in the first instance corruption, but it is a condition that encourages tax evasion by citizens and invites corruption within the government. The faults are in part with existing statutes, in part with legislative reluctance to provide funds, and in part strictly administrative. The bureaucracy has an obligation to insist more strongly on provision of adequate facilities in law and personnel resources. It has an obligation to perfect and energize existing facilities.

It should be understood by citizens that a considerable part of the slowness they attribute to governmental action is caused by concern within the government for acting properly. Some quite urgent business has been much slowed up because of past instances of wrong-doing in matters of the same sort. This should all be taken as indicative of a responsible concern for honesty and fair-dealing. At the same time, the government has an obligation to use ingenuity in devising simpler ways of insuring against venality.

All in all, I believe that the general judgment I have expressed about the quality of the government of India applies in respect of honesty. This is to say that India is one of the dozen or so governments in which honesty has been carried to its highest levels. Moral concerns of democracies are much more numerous, more subtle and more refined than may be found elsewhere, whether historically or in currently alternative forms; practice among democracies has been greatly elevated during the last century as attention and learning have shown the way. Yet in all nations it is an enduring problem, with performances varying by agencies, jurisdictions and levels of government, by the nature of governmental functions and according to variations in social values. In other words, there are places within any government where improvement is badly needed. Here the general line of improvement points to need for administrative ingenuity in developing more *intra*-ministerial checks, more checks during and after performance by separate units, and less inter-ministerial check antecedent to action, and toward more adequate intermediate personnel capable of assuming responsibility for action and for checking upon action.

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## SECTION VII

### THE CENTRE AND THE STATES

At a good many places in these pages I have dealt somewhat casually with the most fundamental administrative problem of India—its lack of organic unity. It requires temerity for a visitor, after only five months, to attempt to address so fundamental and monumental a problem in any semblance of comprehensive terms. Yet my sense of the importance of it, and the urgency of attempting remedial action while the present extraordinary leadership is available leads me to rush in where the more angelic would fear to tread.

The principal and more immediate factors in causing the new government to have been formed in an extremely federal mould are clear enough. The British government, whether intentionally leading India towards self-government or making more or less reluctant concessions to Indian aspiration, began to yield in the provinces, and to build up the provinces as governments. This was easy enough; it conceded nothing of great importance to the British, and it kept the power potentially existing in India in separate and relatively small organs. It applied after the fact the rule, "Divide and conquer"; by dividing India there was no danger of not keeping India subject. And indeed each province was so definitely under British control

that all India was sufficiently under that control. At all events, this was the pattern. If Britain had made her concessions at the level of national government, the present governmental structure would clearly not be just what it is, in spite of the regional and linguistic differences inevitable in a nation of this size. These differences, indeed, have been rather exaggerated and heightened by the provincial structure, leading to the logic behind current agitation for an Andhra linguistic state.

The Muslims seized upon the provincial structure as a vehicle adapted to their special, separatist concerns, and ultimately this logic resulted in partition.

The strengthening of the provinces enhanced vested provincial interests, which at the time of independence became associated with the special difficulty of absorbing and reorganizing the old princely states to contribute to an ideological pattern emphasizing the parts of India rather than the wholeness of India. The "autonomy of the states" became a dominant doctrine, not too critically examined in structural and operating terms. The values, real and substantial, attaching to federalism, state or regional government, and "decentralization", came to be pursued to an extent that threatens the future effectiveness of India as a distinct national entity.

This is not at all surprising. India has not had a period—unless it is coming into it now—such as we had in America under the Articles of Confederation. Nor has systematic organizational theory reached the place where it is the easily available property of even the most eminent statesmen. But by now it should begin to be clear that too precise definitions and separations of parts of a living organism misses a good deal of the profound truth contained in adequate interaction of its parts.

A living national state must have a good deal of the character of a well-integrated individual. This individual will do a good many things automatically, without conscious thought, as a result of his reflexes, and as a result of the interplay of the glands and other organs developed over millions of years of organic growth. But the whole individual is also subject to a unified control by intelligence and will. Or the living national state can be likened to a family. A proper family is a democracy in miniature, with many individual actions, options and experiments, and with considerateness among its members. Yet the parents reserve a right to intervene in *any* matter, and no constitution could be written which attempted to fix prohibitions against intervention that on occasion would not need to be violated. The withholding of intervention is virtuous, but the capacity to intervene is also virtuous.

In every true administrative hierarchy there is a similar situation; the lowliest member has responsibilities in which his skills and discretion are taxed, and so has every person at whatever level in the hierarchy. Yet no action is taken at any level that it not *subject* to

review and overruling at higher levels. The national government itself in democracy is thus subject to overruling by the citizens, which gives democratic structure the most complete, the most circular, wholeness of all forms of governance.

But this is not so of India, and not readily so in some other federal structures. The government at the Centre cannot, as the central seat of highest power except the power of the people themselves, control the states in respect of the whole list of functions and fields constitutionally reserved explicitly to the states. This being so, even the whole people of India are similarly limited in their power to control the whole India.

It may be believed that this is equally true of all other nations of federal type. It is a question that can be studied and argued at length, and certainly it is true that federalism generally slants in this direction. In Canada the strongly French provinces use the federal structure to prevent national action in some important ways when the British provinces would wish to have the government act. Australia has had some important frustrations, too. And in the United States there has been delay, and resort to cumbersome legal and administrative devices to surmount some of the structural difficulties. In the United States, too, we had a Civil War, whereas India has had only Partition and such phenomena as the Andhra linguistic state exemplifies. But it is my belief that no other important federal nation is now so rigidly confined as India is by the Seventh Schedule of the Constitution.

The impending or possible crisis here turns within the area represented by the Five Year Plan. I have remarked the fact that in one state I visited I found expenditures for development purposes actually declining, although that state was nominally qualifying for grants conceived at the Centre as requiring increased outlays by the states. I have remarked the raggedness the state tax assessment, levies and collection efforts, and the raggedness of the state of administrative effectiveness—things most notable perhaps in the case of Part "B" states, but by no means confined to them. The Plan rests in part on an assumption that the states will use existing reserves, in part on an assumption that they will increase revenues, and in part on an assumption that the states will consistently carry out the Plan. Already all of these assumptions are at least open to question. Further, some of the states will not in fact be able to do all that the Plan calls for, and some are choosing alternative lines of development, even after having agreed to programs they now abandon.

Under present national leadership, and under present party conditions, it may be that special *ad hoc* machinery may be able to meet these difficulties. But the Five Year Plan is already well along the course of five years, and it, of course, is only an initial phase of a long, arduous, complicated and monumental course of government. National planning on so large and crucial a scale requires more facility for implementation in the long future than any such *ad hoc* machinery can provide.

## SECTION VIII

### MISCELLANEOUS

#### TIME-SAVING TECHNIQUES

The serious overloading of persons of high rank can be in some part relieved by the adoption of practices designed to save their time. Most important gains can be made as a result of improved structures, by more effective delegation within those structures, and by improvement in the preparation and movement of paper work. But other possible gains deserve attention, and are illustrated under the present heading.

It should not be necessary for persons in important positions to make appointments; the time they spend on the telephone in this manner can be saved by insisting that appointments be made by the office secretary. Similarly, the burden of taking notes on telephone conversations and using those notes for follow-up reminders is an unnecessary one; the office secretary should be one who can listen in all conversations, make appropriate notes and communicate to other officials word of his chief's needs growing out of the conversations, or otherwise taking on the reminder responsibility. More papers can be prepared for signature, and fewer left to be dictated by the higher official. Callers who have overstayed their time can be reminded more often and more promptly by the office secretary.

Visitors can be encouraged to submit their business in writing, bringing it with them when they feel it important to come in person, so that the paper can be transmitted to another official without the time required for conversation with him. Telephone calls can more often be initiated by personal secretaries, the higher official coming on the line only when the person called is at the phone. Detailed communication can often be between two personal secretaries instead of their two chiefs. Inter-office communication can more often be by a written sentence or two, less often by a face-to-face interview which is likely to become protracted by courtesies if nothing more. Conferences can be reduced in number, and expedited when they are held, by better prior communication by paper, by better planning of agenda, and by more preliminary staff work of subordinates.

All of these things point to an improved quality of personal secretaries and of subordinate staff, and the giving to them of more responsible functions. Physical arrangements within individual offices and the arrangements of offices with respect to physical convenience and personal service also need attention as lessening the difficulties of responsible persons.

#### PLANNING

No complicated and difficult business can be well done unless it is planned in advance. No such business involving human beings, on the other hand, ever can be planned completely in advance. Planning that would require precise fulfilment of each advance specifica-

tion, in human affairs, would be authoritarian, would unduly limit human kind and in the end would prove erroneous. Nor can it be said that planning is something that can be done exclusively in any one term, by any one body, or in any one area or level of government.

Different orders of planning may be arbitrarily but usefully identified. The commonest and "lowest" order in a hierarchal sense, is the planning that is done in the course of program operations. As soil conservation workers put some purpose into effect on a single tract of land they get ideas about how to do it better, experiment with the idea, and in a few moments or in a few days may have changed their approach or techniques quite significantly. This learning from experience is often so subtle and gradual that those concerned are not particularly conscious of engaging at all in "planning" ---which to many is a rather hifalutin word.

The second order of planning is just one step removed from day-to-day operations, or several levels removed up the hierarchy. There as officials look over reports, records, statistics, and complaints, or as they travel and see other efforts of related sort, they get ideas for betterment. They begin to discuss and disseminate these ideas. In all these activities they are engaging in planning.

A third order of planning may be identified as going on when a new activity is being undertaken. There are estimates of numbers of persons and other supply costs, and structural and administrative designs are explored. Often this kind of planning is done in part in a special unit or by special personnel technically equipped to make such advance estimates and designs. Functions of this kind may be regularly assigned to a group especially constituted for the purpose. Still, this is something less than "general planning", for it presumes a good many objectives and determinations as already given. It is only in fourth or fifth orders that we perceive planning as a professional specialization and as having extremely broad significance.

In terms of governmental structure, it may be said that planning of the first three orders go on in "action agencies" within ministries, as with the Posts and Telegraph Department of the Ministry of Communications. A general planning unit in the same ministry, functioning with respect to all of the affairs of that ministry, might be said, in contrast, to be engaged in planning of the fourth order. A general planning unit at the governmental level, such as the Planning Commission, engaging in overall planning for the entire government, represents a fifth order.

Planning is most effective when there is a rather conscious continuum of all these planning efforts, or, in more normal administrative terminology, when there is movement back and forth of ideas and objections through and between all five of these orders. The bridging of general planning to day-to-day operations can be done only in the course of the intricacies of day-to-day operations, and without bridging general planning is an intellectual exercise rather than being a part of the administrative process.

## PROFESSIONAL LICENCES

The shortage of technical and professional personnel here, often remarked by officials, is in some part a problem to be solved by administrative ingenuity.

In other countries, the desire to raise standards of professional qualifications often is impatient, resulting in the fixing of standards which deprive the public of much real service that could be provided by persons of less equipment. There are dangers and legitimate grounds for unhappiness in opening the door too widely to ill-equipped persons, particularly in the practice of medicine. Yet in most such situations administrative ingenuity ought to produce some helpful schemes.

Often, the trouble is only one order of professionalism. Either a man has an engineering degree and is an engineer, or he does not have such a degree and is not an engineer—this is the usual situation. In nursing, in social work, in engineering, in hospital administration, in laboratories, in schools, and even in the practice of medicine, it ought to be possible to devise and to administer systems recognizing different orders of professional and semi-professional status. In India today devices of this sort might have special significance.

## GOVERNMENTAL ENTERPRISES

Activities such as those denominated in India by the phrase "governmental enterprises" appear to many to be quite novel undertakings on the part of government. They are, in fact, a feature of growing dimensions and difficulty in the field of public administration, but some light on the phenomenon may be shed by pointing out that they are not really novel at all. In many respects, the issuance of metallic and paper money, surely one of the ancient functions of government, resembles a modern industrial enterprise. Much clearer is the case of the postal service, which has a rather long history during which it has not been felt necessary to give it any designation or treatment markedly different from that given to other governmental activities. It performs a public service for which it is paid by citizens in the course of using it; it therefore has a very substantial income and in many ways resembles other businesses. Yet it has never, so far as I know, been especially incorporated by any government in any way not providing legal status for any other governmental department, ministry or function. The conduct of museums, national monuments or parks to which fees or admission or for services are charged may be regarded as "revenue-producing" or as businesses. The sale of government documents may be said to be another such enterprise. Yet these things have not been regarded as not having a true governmental character or administered in ways generally resembling other administrative arrangements.

It is only when such enterprises—other than the post office, usually—attain very large dimensions, and the number of such enterprises grows suddenly as through nationalization, or when private business-

men, noting some similarities to private business, demand "business-like administration" that the whole phenomenon has seemed to become a new one. Then the so-called corporate form is demanded, as somehow insuring greater responsibility than might be had at the hands of a Minister or Prime Minister to whom we entrust much more important responsibilities. In the corporate form we are likely to lose sight of a distinctly governmental character and a public purpose greatly differentiating these things from private business, corporate or otherwise. We can, too, fall into the error of making these enterprises so "autonomous" that, though creatures of government, they can only with great difficulty and to a limited extent be controlled by government.

Government does face a somewhat peculiar problem in the multiplication of such enterprises. Members of Parliament and Cabinet do not wish too much of their time turned from more dramatic affairs of state to matters of passenger accommodation on a train between Calcutta and Bombay, or Liverpool and London. Yet it is true, I think, that in all affairs of government methods must be worked out so that top responsibility can be carried by political figures without getting them grossly overtaxed by attention to details. As between autonomous irresponsibility and responsibility there can be little choice in the end, and the meeting of responsibility in these matters will come through development of skill in delegation and skill in using more abstract information for forming more general judgments appropriate at high levels. This can be done by suitable structural arrangements and administrative devices in much the way that larger and more complex defence, international relations and welfare responsibilities may be made manageable.

Actually, the Indian practice in these matters is rather distinctly superior. The government here has not so often as elsewhere lost sight of the distinctly governmental character of these enterprises, and has not been led so far astray by intoxication with the word "corporation". These enterprises are subjected to essential public controls in a rather satisfactory way. The Damodar Valley Corporation Act of 1948 leans literally rather too much toward the excessive autonomy of the American T.V.A., but in practice the Corporation has been pretty well incorporated within the government. Indeed, in being subject to two state governments as well as to the Centre it suffers somewhat from too much diffusion of responsibility within governments, and in other respects review of its business is too diffused. Subjection of the Fertilizer Factory to a corporate income tax, however, seems an unnecessary, and governmentally-limiting, treatment of that activity. Total control of its finances would be more in keeping with its governmental nature. The general point that there is no magic in the word "corporation" and that it is entirely possible to provide the flexibilities appropriate to any enterprise without invoking the word or relying on administration through boards seems well understood here. The difficulties that do exist are often those peculiar to the extraordinary relationship between Centre and states. Some of the older enterprises especially need modern managerial attention, too.

## PAPER WORK

Differences in the systems of handling mail and internal paper work were a momentous problem when these differences were brought to view in new international organizations, notably the International Labour Office. In the succeeding years it has become a familiar and much less passion-encrusted matter. When I express the opinion that the system in vogue here is unnecessarily slow, burdensome and lacking in utility it is an opinion shared by some of the most eminent of Indian civil servants—notably those who have had experience with very different systems.

It seems to be a common belief here—reflected in rules of business and manuals—that too much work is done on paper, and that more should be done in conferences. I think that rather too much work is done in conferences, and perhaps on the whole too little on paper, but that both could be improved, and paper work in particular.

The form in which paper moves through the hierarchies of government, the methods of filing, and the movement of paper as itself revealing much of importance about the administrative process here—these things constitute highly attractive fields for special studies of an intensive sort. I have not felt able or inclined in the time I have available to get more than a few impressions, but I definitely recommend that such studies be made early in the course of the continuing business of scrutinizing public administration here. The terms indicated at the beginning of this paragraph really suggest two separate studies. The movement of paper in whatever form should be looked at with special concern for what it would show about the state of delegation.

My own superficial impression gained from observation in many offices was especially reinforced by a Flow Chart showing the secretariat method of dealing with correspondence in the government of West Bengal. This was prepared by a man who had had experience in their discontinued Organization and Management office and clearly revealed an extremely slow, and not very useful, procedure. The chart showed from 30 to 42 different handlings of a letter when the letter was given consideration only within a single department of a ministry; six of these handlings are required in a single office at six different points in the process, four in each of two other offices, and from 12 to 18 different offices were involved in the whole process, not including the central despatch office. In addition, records and indexing appear to be entered in journal-type books, papers to be assembled in tied bundles of presumably self-sufficient character, cross indexing to be extremely difficult and inadequate, and any individual paper to require laborious search through these tied bundles. Modern files, loose-leaf and card files and cross-indexing, the use of fewer pins, less cord, more paper-clips, more carbons, and more flexibility and expedition in access to particular papers seem to be as much indicated as a reorganization of the system of preparation and review. It is not believed that the West Bengal system is notably different from the systems in other states and in the Centre. I have found it equally bad in Collectors' offices.

## STATE AND LOCAL GOVERNMENT

Most of the recommendations I make apply to the states as well as to the Centre. The states are large administrative organisms—the larger ones employing more personnel than the largest of the American states. Their need for Organization and Management offices is acute. Their needs for improving recruitment and installing extensive programs for the development of personnel, and for improving hierarchal structures, are at least as pressing as the Centre's needs in these respects. Their slow procedures cannot be justified by asserting that the Centre's are no better.

Of local government I have had a chance to get only the sketchiest of impressions. Failure to treat it does not imply any lack of realization of its great importance. The single village poses a problem of small physical dimensions but individually and in their vast numbers a problem of very great difficulty. The cities seem almost a forgotten area. A special study of the administration of the cities of India would appear to be greatly needed.

## ALL-INDIA CIVIL SERVICE

By implication many times, and explicitly once, I have referred to the need for extending the scope and dimensions of the all-India services. Not only common membership of many is desirable, but a common program among them of personnel development, including managed movement to various places and kinds of assignments. Indeed, I should hope that the existing all-India services could become more clearly sub-services in a general all-India civil service, with somewhat readier movement, particularly in higher levels, from one sub-service to another. These services are now much too alien to each other.

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## SECTION IX

### TWO RECOMMENDATIONS

It seems plain to me that India is ready for a flowering of special interest and advancement in public administration, and that some special opportunities rather unique to India make it likely that the movement may soon be of world-wide significance. It seems to me of high importance that there be concrete and tangible support for the general movement I feel is already informally under way. With this in mind I venture two related recommendations.

The general idea is that professionalization of public administration should be advanced in order to encourage more widespread and conscious study, reflection, and exchange of learning and to establish certain instruments charged with special responsibility for administrative improvement in terms not adequately covered at present. I shall first discuss the second of these two proposals.

The alphabetical phrase "O. and M." in the last decade or two has become a part of the professional administration jargon, but, more importantly, it is becoming the designation of special units in some of the highly advanced governments, units charged with making administrative studies and proposing improvements. The initials stand for "organization" and "management" (or "method"). Both are terms basic to the understanding of administration. While organization is a key word in almost all social matters, it has not been nearly often enough or long enough a special focus of attention. Much the same can be said of its sister word, "structure". The word "management" has had much more attention, but too often all of these terms have been used glibly as reflecting a competence concerning them that is by no means assured among even the best of administrative practitioners. Another term, "Administrative Management", has become popular in recent decades, and sometimes in government one finds an "Administrative Management Division" in which there is an "O. and M. branch". Preferences in terminology may not be important, but I have felt that "management" is too often used as connoting a more pedestrian approach than does the word "administration". With this feeling, I hope sometime to see a government establish a "Public Administration Division", in which would be included an Organization and Management Branch. But, whatever the terminology, I recommend that the Government of India give consideration to the establishment of a central office charged with responsibility for giving both extensive and intensive leadership in respect to structures, management and procedures. At one level of highly technical and specific sort, it would give attention to work measurement, work flow, office management, filing systems, space arrangements and the like; at another level it would be charged with general governmental structural studies and proposals. I should hope that at this level also it would have a charter of responsibility for the enhancement of democratic manner and method within the bureaucracy and between the bureaucracy and the public.

This suggestion can apply equally well to the Centre and to the states. There was once in Bengal an "O. and M." unit which was discontinued in the urgencies of emergencies, and there are persons here who have some special background which should be utilized.

Just where such an administrative citadel should be located is open to argument. Both in the United Kingdom and in the United States it is primarily associated with the agency of financial control—the Treasury, and the Bureau of the Budget, respectively. About as good a theoretical case can be made in favour of the personnel centre—in India meaning the Ministry of Home Affairs. There might even be some point in a somewhat bifurcated effort centering in both places, but with one given leadership. Or the office might be located in the Cabinet Secretariat, reporting to a Minister without portfolio.

The arguments against location in Finance would be two; first, that Ministry's natural pre-occupation with economy in smallish terms rather than in the economy viewed as effective administration, and, second, the fact that Finance is already overburdened. With

reference to the first of these arguments, it may be said that responsibility for the "O. and M." effort might be the best of ways to elevate the approach of financial review. The reply to the second is that no minister need be too much overburdened if he will organize in terms of the workload. On the whole, the general strength and scope of the Ministry of Finance would rather point to locating the "O. and M." office in it, with a Consulting Committee, the members of which outside of Finance would have individual and personal—rather than in especially staffed offices—responsibility for giving continuing consideration to such matters. Such a committee should include some one especially selected from Home Affairs, and might well include one from External Affairs, where knowledge of practices in other countries might be most certainly found. A committee of three would be preferable to a larger one. But these details are mentioned only by way of illustration.

The second recommendation I already have submitted to Government in reply to a request for it. It has to do with the sponsoring of an Institute for Public Administration. For the sake of completeness in this report, I append herewith my earlier remarks:

I have no notion how far the Government might feel it proper and feasible to go in support of such an effort, but I do feel that the Government and the public service would be significantly advanced if there were to come into being an Indian Society for Public Administration or an Institute of Public Administration.

In my visit here I have found a widespread and deep interest among officials in public administration as a unique professional field, and as a field in which interchange of learnings, reflections and fruits of special studies would be of great usefulness.

There is at the present time no particular medium for India-wide communication of these matters, and no vehicle especially stimulating efforts to formulate and communicate out of experience and research learnings that would provide something of equivalent learning vicariously for others. In the states, in particular, I have found a considerable sense of lack of acquaintance with "opposite numbers" in other states. Here, too, of course, one observes the normal tendencies for persons in one technical field of public administration (as in public health or in engineering) to be deprived of the stimulation that would come from improved acquaintance with those in other fields. There are also barriers between ranks, in the formal handling of public business, which would be minimized in a professional society where members would be freed from pre-occupations with specific hard problems requiring responsible decision and where the hierarchy of the workaday world would lose significance. Older men here could identify younger men of special promise, and younger men get a stimulation otherwise unavailable to them.

It would seem to me, therefore, that two minimum objectives of an Institute or Society would be the publication of a Journal, and the holding of annual, national meetings for discussion of administrative experience, problems, and theoretical formulations. Another

possibility would be mid-year regional meetings. In the various capital cities chapters of the Institute could be formed for more frequent meetings and diversified programs. One program possibility for such chapters was illustrated in my recent visit to Jaipur to lecture under auspices of the University there. On arrival, I found that arrangements had been for me to speak before the governmental Secretariat, too, in a meeting presided over by the Chief Minister. I was informed that this was the first time that Government and University had joined forces in providing a forum for the discussion of Public Administration. In the course of years I should expect a closer association between officials and university faculties in appropriate fields to be one of the substantial consequences of the existence of an Institute and the professional consciousness it would reflect and nurture.

I should think it desirable to point in particular toward the opening up of some small central area of recruitment into the civil services of states and Centre to young persons who have had *graduate* training in special programs in Public Administration. Similarly, some advanced and theoretical academic work on the part of many already employed by government should be anticipated in those capitals where universities should become appropriately equipped. Two developments would be prerequisite, I think. Pre-service programs of professional-type instruction should not be offered until some special opportunities for ingress to governmental careers had been opened up for these particular graduates. On the University side the establishment of such programs should not be begun until arrangements have been made to erect suitable criteria for admission and degrees, and to provide faculties combining academic quality with practitioner insights and experience. I should like to see included in faculties offering such programs some able retired civil servants of special intellectual and theoretical capacities.

Movements comprehending everything I have here suggested are fairly well advanced in some countries, and under way in many more. What you do here and how you do it must be determined, of course, in Indian terms. In particular, matters of membership, constitution and by-laws, you would work out in consultation here. I may be pardoned, however, if I very tentatively offer a few more suggestions.

One would be that any such Institute as here is being discussed should avoid taking organizational positions in public policy matters. Another would be that it not become in any sense a trades union devoted to upholding the self-interests of public servants, but that, rather, it seek only the betterment of administrative knowledge and practice.

Just as I have learned a great deal by my visit in India, it may be hoped also that there will be increased opportunity for Indian public servants to visit and become acquainted with public administration in other countries. Aside from visits, wider availability of professional literature produced in other parts of the world would be useful, just as publications here will be gladly read elsewhere. It may be that some visits of public servants to America, the supplying of foreign publications for a circulating library to be

operated by the Institute, and perhaps some subsidy of Indian publications would be considered by some of the Foundations. If it is desired I should be happy to assist in exploring these latter possibilities.

In connection with the more conscious professionalization of public administration in India there are some special opportunities here for its development. In part, these opportunities would exist in the fluidity of the situation here—freedom to move in almost any direction that may seem attractive without too many inhibitions growing out of past efforts and conflicting or segmental professional movements. This opportunity also consists in part in the possibility of avoiding some of the limitations and shortcomings of earlier similar efforts in other countries.

In America, for example, the approach to a self-conscious professionalization of public administration began with the academicians—and almost exclusively with the political scientists among the academicians. As a sequel to this beginning, the efforts to systematize administrative theory were based overwhelmingly on the documentary method. The documents available were chiefly the Constitution, laws, court decisions, formal annual reports of departments and agencies, and hearings before Congressional committees. These things are on the whole peripheral to actual administration; at least, they do not comprehend a very large part of the living and acting reality. Specialized studies, as they came along, had largely to do with financial and personnel administration, and very little to do with the actual conduct of the action programs which are the crucial end-product of public administration.

There was in all this a superficiality, a lack of deep penetration and comprehensive penetration of the whole business of administration, and an early over-intellectualizing of the approach which paid scant attention to human factors within bureaucracies, to the permeating influence of politics in democratic government and its adjustment to more impersonally technical and administrative considerations, and to the ubiquitous business of relating differences in interest, function, learning and situation which makes administration an art. The drive was to make it much too much a science, its practitioners devoid of special emotional involvements or any but mathematical and elementary ethical values. It attempted much too precipitately to enunciate “principles” of public administration, without developing nearly enough descriptive material as a necessary prerequisite. Primarily an academic approach, it nevertheless left the sociologists, the social psychologists, the anthropologists, and even the economists and lawyers—as all these latter left the political scientists—to their own isolated devices. As the movement spread among the more thoughtful practitioners, it was for long rather exclusively confined to those having to do with financial administration, personnel administration and other similar “staff” processes. This left long untouched the vast number of administrators who were in the first instance chemists, physicists, foresters, medical doctors, engineers, social workers, business men in government, biologists, home economists, agronomists, economists, statisticians, journalists, etc.

In India, the professional movement centres largely with the practitioners. And here the theoretical interest is not confined to personnel in the Indian Civil Service or the Indian Administrative Service. Nor is the academic interest confined to political scientists. A more cosmopolitan and comprehensive approach can be got under way here more rapidly than in any country I know of. And the literature that can be developed will come here more quickly and largely from practitioners; this means that it, too, will be more realistic, more penetrating, more descriptive and more comprehensive. This means that the opportunity here is most extraordinarily attractive. The only familiar danger I see, indeed, is that the literature may too quickly turn to seeking general theory and principles, based too exclusively on structures and procedures conventional here. There is elsewhere, at long last, a high interest in "comparative public administration". That interest, too, can well be pursued here from the beginning.

I am most enthusiastic about the prospect opened up by such an Institute as is under consideration. I hope it may be speedily made an actuality.

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## SECTION X

### THEORY HAVING TO DO WITH DEMOCRACY AND WELFARE

Administrators and students of administration need to develop their learning into the dimensions of systematic and comprehensive theory. Such theory will come in steps, and will require many specialized formulations. Organization, structure, hierarchy, decision-making, delegation, representativeness, responsiveness, responsibility—all these are important terms around which broadly significant studies and formulations should develop, in addition to the more obvious ones that will cluster numerously about "management". Theory thus should fill the broad gap between what has been the domain of philosophy and political and social theory, on the one hand, and the practitioner domains of politics and public administration on the other hand.

Here in India special need and opportunity exist for the development of administrative theory dealing with the two outstanding drives of the current Indian society—toward democracy and toward the Welfare State. Democratic public administration is not and should not be merely public administration under the control and direction of leaders democratically chosen and held responsible. And public administration in a Government dramatically dedicated to achievement of a Welfare State faces needs for learning never so compelling at any other time and place.

There is danger that democratic administration will be conceived too much in sentimental terms, not enough in terms of effective and rapid action. There is danger that in the face of great difficulty, progress at a rate disappointing relative to need and aspiration, and stressful international conditions, the drive for welfare may turn to

disappointment, frustration, and cynicism. This latter danger could imply return to the ancient belief that "if the people have it in them, they will improve their own conditions", and that "you can't really help people; they must help themselves". Theory can arm those in responsible positions against these dangers. Theory simplified can provide the people generally with a needed understanding.

Excessive cross-reference and consultation in the course of administration is not "democratic administration"; it frustrates the democratic aspiration; it is an evasion of responsibility on the part of those who must have special responsibility. Democracy hinges first of all on the manner in which responsibility is fixed and held accountable; second on responsiveness and considerateness. There are techniques that enhance responsibility and accountability, that enrich responsiveness and considerateness; these are democratic techniques. There are methods that diffuse and conceal responsibility, that reduce accountability, that misinterpret responsiveness, that overburden citizens and that convert considerateness into sticky sentimentality. These damage effectiveness and demean democracy.

An administrative method that permits letters from citizens to go unanswered, poorly answered, or long delayed is not properly considerate or responsive. An administrative method that sets high barriers before the entrance of citizens into public offices and occasions many of them to salute leaves much to be desired. A method that sets any substantial barriers between ranks of public personnel is not a good method. A method that underestimates the value of citizen criticisms merely because the citizen knows only what displeases him and not the difficulties in the way of pleasing him, is not sufficiently responsive. But a method that endeavours to get from citizens in the name of "participation" a judgment that can well be made only by those in positions of responsibility is erroneously and fictitiously responsive. These remarks are intended to be merely suggestive of lines to which attention should be given here, attention that will result in theoretical guides to good practice.

Governments everywhere have long been concerned about public welfare. In primitive society sheer order was usually and for the most part a substantial step on the road to welfare. So, too, was achievement of internal security from an outer threat. So, too, were provisions of a monetary system and for contractual relationships between citizens. But modernly, political democracy has caused a steady widening of meaning for the word "welfare", and science and the division of labour in professionalization and technology have provided new means for enhancing welfare. India, more than any other nation, has frankly and emphatically dedicated itself to the achievement of a Welfare State in these expanded terms. The meaning of this is that here efforts will be more various, extended and particularized with reference to individual persons. The Government has set out on an impressive programme not merely of helping its people but of helping persons, seeing and reaching them and their lives as individual beings. This puts great, new obligations on public administration, and calls for new learnings, new understandings. It

requires new understandings on the part of citizens, too. There is need for a philosophical but simple and practically-formulated theory. There is need for a great body of administrative theory applying to Governmental efforts to help people.

Disappointments have faced many persons who have tried benevolence as a private activity. There has been some inclination to feel that only impersonal and general arrangements of society can in fact be helpful to individuals at large. Yet there have been many great achievements through benevolence, too. There is no doubt that benevolence can be effective; we don't know enough about how to maximize effectiveness.

Disappointments have tended to cause many persons to exaggerate the necessity of providing disciplines for those who are being helped, overlooking the general fact that life is always difficult and that attainment of one higher level always discloses difficulties of a new dimension. Anyone who fails is more likely to have failed for lack of enough of the right kind of advantages than because life was made easy by his advantages. If this were not so, civilization would not be possible and crude savagery with all its disciplining difficulties would be the ideal state of man. All of us have greatly benefited by the achievements of our forefathers, handed down to us in the books, buildings and culture that enfold us, unearned by us. Now we have reached the place where we wish more consciously and grandly to extend the process. And this is essentially a problem—or, rather, a vast battery of problems—in public administration.

India has undertaken this new dedication happily in no doctrinaire spirit. In the words of the Prime Minister. "India is pragmatic, not dogmatic". It does not believe that its problems are resolved by invoking "socialism" or "communism" or "capitalism". The kind of economy is left to work itself out through the means of democracy. The criterion by which any policy or undertaking is to be judged is what it achieves for the public welfare. The theoretical need is not for dogma but for guides to effective administration. The actual conduct of specific welfare programmes and the techniques used in them need study looking toward the formulations of guides that will speed the pragmatic efforts toward success. Incentive systems, grant systems, loan systems, supervised credit systems, social work methods, hospital administration, health administration, agricultural extension methods, social work—all these things lend themselves to theoretical learning.

Public administration will grow in importance and significance in India. Its growth should be as much intellectual and methodological as it is physical.

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## SECTION XI

### CONCLUSION

I was invited here because of the government's deep concern to perfect its arrangements for the service of the people of India. Little purpose would be served, therefore, if I were to spend four months

in study and produce nothing but applause. My tone is critical, in keeping with my assignment.

It has not been my intention, however, to imply anything notably inferior about the arrangements or procedures of the Indian government. Studies of the sort herein attempted are made frequently elsewhere, and will continue to be made in all vital governments. Criticisms here brought against the Indian government can be offered in only slightly different terms against almost any other government. The process of perfecting governmental administration is a universal and eternal business. It is especially important here because of the recent emergence of India as an independent nation, and because of the great designs of its leaders and its people.

Even if my criticisms and my proposals are valid, no one is justified in the belief that action in accord with them can be simple, easy, quick, or to be readily measured in results. Small improvements made from year to year in so relatively simple a thing as an automobile make only marginal and uncertain differences in the customer's preference; often, only novelty swings judgment toward the new, and perhaps as often caution and nostalgia turn choice toward the old and familiar. The great, complex institutions of government are even less readily to be appraised in terms of single or annual refinements. Time and thought and trial and error do, however, carry us on into ways effective for ever more exacting requirements. This Report is but an item in the process, so far as the government of India is concerned.

The difference between one organization and another organization can never be appraised exclusively in analytical terms, or in terms of organizational and administrative theory, no matter how perceptive these analyses are. Great significance must be attached to the spirit of those who are members of these organizations.

It should be emphatically reaffirmed, therefore, that as of now, zeal, hard work, good-will and devotion are making India's administrative machinery work beyond its inherent or theoretical capacity. It would be a most insensitive critic who did not offer his suggestions with great humility in the face of the intelligent and consecrated efforts which are the most distinguishing phenomenon here visible to a student of government.

India is not my country, yet in some way I have come to have strong sense of membership in it. In my capacity as a human being I shall return to my home with great pride in India.

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